Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: UTU-61252

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] OTHER — SINGLE ZONE [XX] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Pinehurst Federal

2. NAME OF OPERATOR: Wildrose Resources Corporation N 9660 PH: 303-770-6566

9. WELL NO.: 3-8 105

3. ADDRESS OF OPERATOR: 4949 South Albion Street, Littleton, CO 80121

10. FIELD AND POOL, OR WILDCAT: Monument Butte

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface 603
1980' FNL & 660' FEL (SE¼NE¼) CONFIDENTIAL
At proposed prod. zone 201
Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 3, T9S, R17E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 9 miles SE of Myton, Utah

12. COUNTY OR PARISH: Duchesne 13. STATE: Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	279.49	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1339'	6200' GRRV	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 5030' GR

22. APPROX. DATE WORK WILL START*: March 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, J-55	300'	225 sx
7-7/8"	5-1/2"	15.5#, J-55	6200'	800 sx

RECEIVED
DEC 10 1996
DIV. OF OIL, GAS & MINING

SEE ATTACHED EXHIBITS:
A - Surveyors Plat
B - 10 Point Plan
C - BOP Diagram
D - 13 Point Surface Use Program
E - Access Road Map
F - Production Facilities
G - Existing Wells Map
H - Pit & Pad Layout, Cuts & Fills, Cross Sections, Rig Layout

CONFIDENTIAL

NOTE: This A.P.D. is a re-submittal of the exact location preiously approved by the B.L.M. in June, 1995, for Snyder Oil Company. Wildrose Resources Corporation is now Operator of this lease.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED [signature] TITLE Vice President DATE December 5, 1996

(This space for Federal or State office use)

PERMIT NO. 43-013-31761 APPROVAL DATE

APPROVED BY [signature] TITLE Petroleum Engineer DATE 1/21/97

CONDITIONS OF APPROVAL, IF ANY:

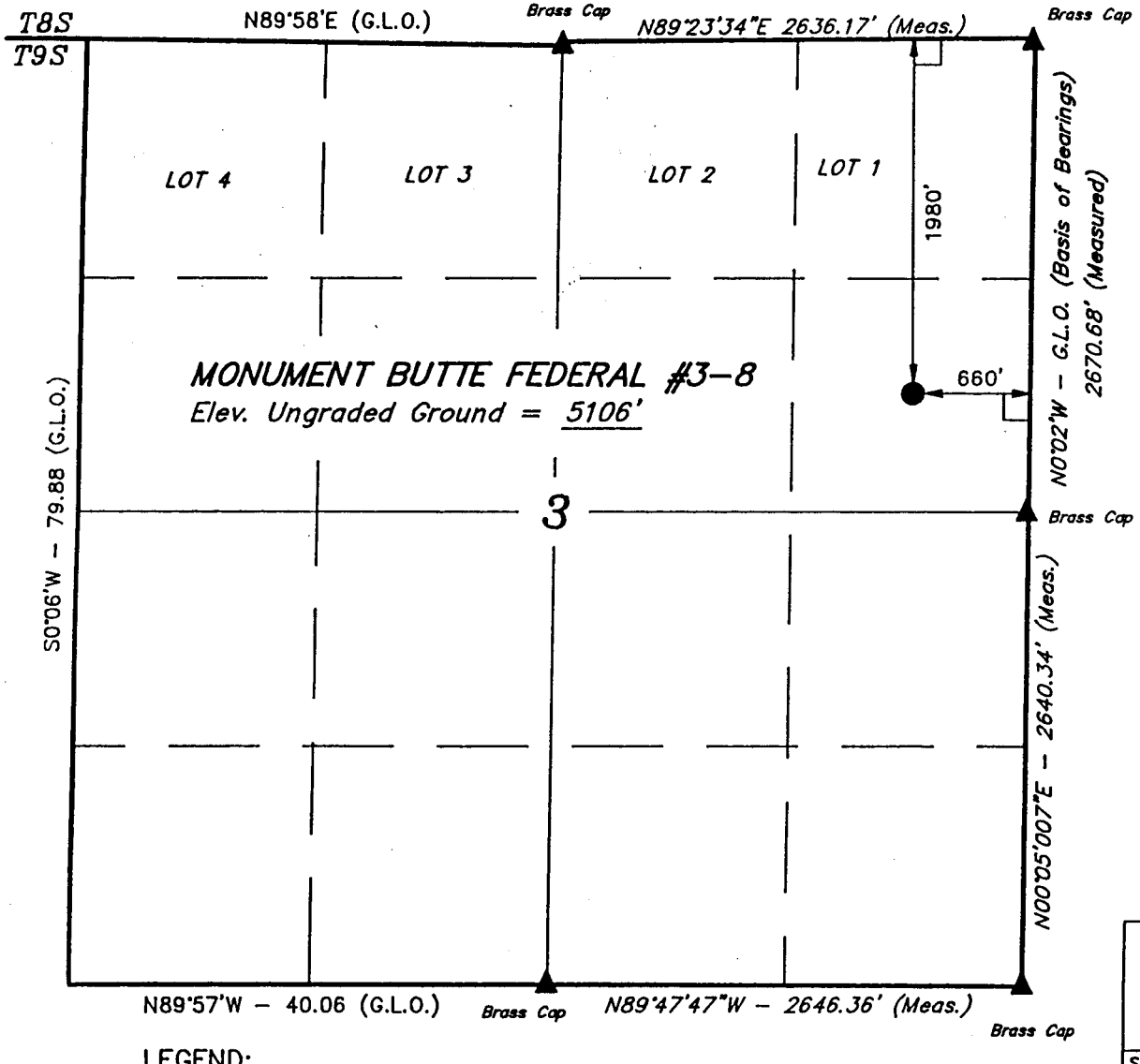
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Wildrose Resources Corp.

T9S, R17E, S.L.B.&M.

Well location, FEDERAL #3-8, located as shown in the SE 1/4 NE 1/4 of Section 3, T9S, R17E, S.L.B.&M. Duchesne County, Utah.



LEGEND:

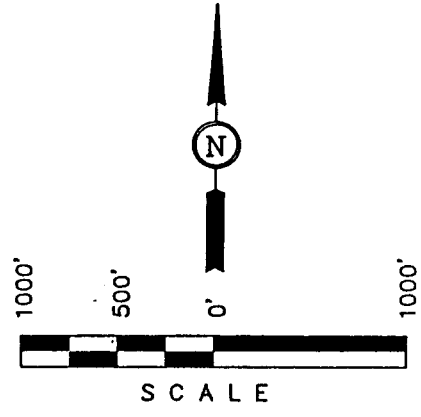
└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 3, T9S, R17E, S.L.B.&M. TAKEN FROM THE PARIETTE DRAW SW, QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5030 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Exhibit 'A'

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-20-95	DATE DRAWN: 2-21-95
PARTY G.S. D.G. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE	

EXHIBIT B

WILDROSE RESOURCES CORPORATION
PINEHURST FEDERAL #3-8
LEASE #U-61252
SE/NE SECTION 3, T9S, R17E
UINTAH COUNTY, UTAH

TEN POINT COMPLIANCE PROGRAM OF APPROVAL OF OPERATIONS

1. The Geologic Surface Formation

The surface formation is the Uintah (Tertiary).

2. Estimated Tops of Important Geologic Markers

Green River	1475′
Wasatch Tongue of Green River	5975′
Total Depth	6200′

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

No water bearing zones are anticipated

Green River 4000′ - 6200′ Oil

4. The Proposed Casing Program

HOLE	INTERVAL	LENGTH	SIZE(OP)	WEIGHT,GRADE,JOINT	NEW OR USED
12.25"	0 - 300′	300′	8-5/8"	24# K-55 ST&C	New
7-7/8"	0 -6200′	6200′	5-1/2"	15.50# J-55 ST&C	New

Cement Program -

Surface Casing: 225 sacks Class "G" plus 2% CaCl2

Production Casing: 200 sacks Lite Cement and 600 sacks Class "G" with additives

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. A 2M system will be used. The blind rams and the pipe

rams will be tested to 1500 psi after nippling up and after any use under pressure. Pipe rams will be operationally checked each 24 hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Such checks of BOP will be noted on daily drilling reports.

Accessories to BOP will include an upper kelly cock, floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.

6. The Type and Characteristics of the Proposed Circulating Muds

Mud system will be 2% KCl water with adequate stocks of sorptive agents on site to handle possible spills of fuel and oil on the surface. Heavier muds will be available to be added if pressure requires.

DEPTH	TYPE	WEIGHT #/gal	VISCOSITY sec/qt	FLUID LOSS cc	PH
0-3500′	Fresh Water	8.4 - 8.6	28 - 30	NC	--
3500-6200′	2% KCl Water	8.6 - 8.8	30 - 34	NC	9.0

7. The Auxiliary Equipment to be Used

a) An upper kelly cock will be kept in the string.

b) A float will be used at the bit.

c) A mud logging unit will not be used. The mud system will be visually monitored.

d) A stabbing valve will be on the floor to be stabbed into the drill pipe when kelly is not in the string.

8. The Testing, Logging and Coring Programs to be Followed

a) No Drill Stem Tests will be run.

b) The Logging Program: Dual Later Log 300′ - T.D.
Formation Density-CNL 4000′ - T.D.

c) No coring is anticipated.

d) Stimulation procedures will be determined after evaluation of logs. If treatment is indicated, appropriate Sundry Notice will be submitted for approval.

9. Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is 1500 psi + or -.

No hydrogen sulfide or other hazardous fluids or gases have been found, reported or known to exist at these depths in the area.

10. Anticipated Starting Date and Duration of the Operations.

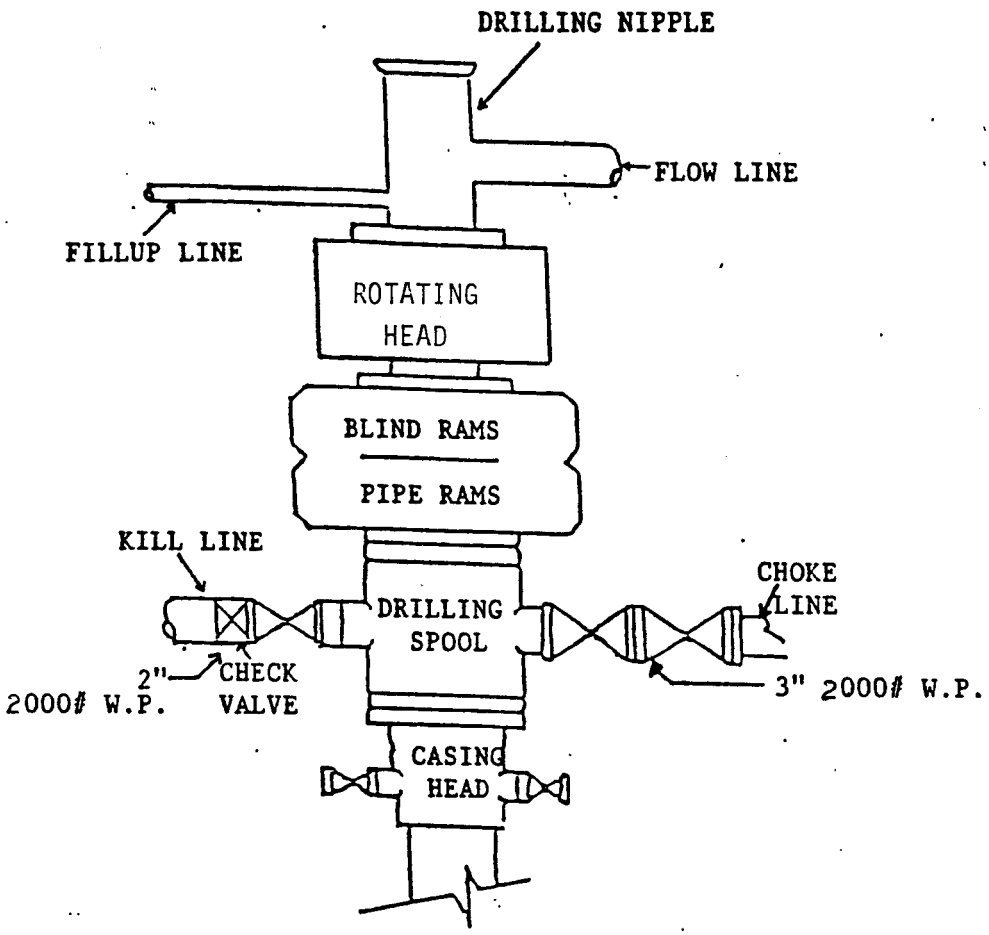
The anticipated starting date is March 15, 1997. Operations will cover approximately 10 days for drilling and 14 days for completion.

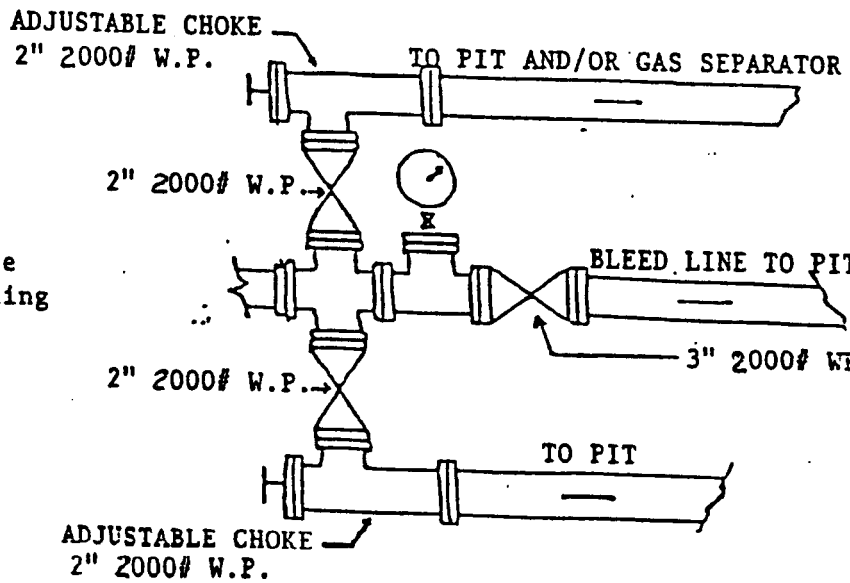
Hazardous Chemicals

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling of this well.

EXHIBIT C

BOP DIAGRAM





NOTE: BOP side outlets may be used in place of drilling spool.

EXHIBIT D

WILDROSE RESOURCES CORPORATION
PINEHURST FEDERAL #3-8
LEASE #U-61252
SE/NE SECTION 3, T9S, R17E
UINTAH COUNTY, UTAH

Thirteen Point Surface Use Program

Multipoint Requirements to Accompany APD

1. Existing Roads

A. The proposed well site and elevation plat is shown on Exhibit A.

B. From Myton, Utah, go west 1 mile. Turn south on Pleasant Valley road. Go south for 11.6 miles. Turn northeast (left) for 1.6 miles to location.

C. See Exhibit E for access roads.

D. There are no plans for improvement of existing roads. Roads will be maintained in present condition.

2. Planned Access Roads - (Newly Constructed)

A. Length - 30 feet.

B. Width - 30' right of way with 18' running surface maximum.

C. Maximum grades - 2%

D. Turnouts - N/A

E. Drainage design - Barrow ditches and water turnouts as required.

F. Culverts, bridges, cuts and fills - None.

G. Surfacing material (source) - from location and access road.

H. Gates, cattle guards and fence cuts - None.

All travel will be confined to existing access road rights of way.

Access roads and surface disturbing activities will conform to

standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/ upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right of way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diversion water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

A Right of Way application is not needed.

3. Location of Existing Wells Within a 1 Mile Radius

See Exhibit G

A. Water wells - none.

B. Abandoned wells - one.

C. Temporarily abandoned wells - none.

D. Disposal wells - none.

E. Drilling wells - one.

F. Producing wells - eight.

G. Shut-in wells - none.

H. Injection wells - none.

4. Location of Existing and/or Proposed Facilities

A. On well pad - See Exhibit F for all production facilities to be used if well is completed as a producing oil well.

B. Off well pad - N/A

If a tank battery is constructed on this lease, the battery or the well pad will be surrounded by a dike of sufficient capacity to contain, at a minimum, the entire content of the largest tank

within the battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

Tank battery will be placed on the northeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rock Mountain Five state Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is desert brown, 10YR.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. Location and Type of Water Supply

A. Water supply will be from Water Permit #43-1721 (Joe Shields spring).

B. Water will be trucked across existing roads to location.

C. No water wells to be drilled on lease.

6. Source of Construction Materials

A. Native materials on lease will be used.

B. From Federal land.

C. N/A.

A minerals material application is not required.

7. Methods for Handling Waste Disposal

A.

1) Drill cuttings will be buried in the reserve pit.

2) Portable toilets will be provided for sewage.

3) Trash and other waste material will be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

4) Salts - if any will be disposed of.

5) Chemicals - if any will be disposed of.

B. Drilling fluids will be handled in the reserve pit. Any fluids produced during testing operations will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any oil in the reserve pit will be removed.

Burning will not be allowed. All trash must be contained in trash cage and hauled away to an approved disposal site at the completion of drilling activities.

The reserve pit shall be constructed so as not to leak, break, or allow discharge.

Only if porous soils are encountered during the construction of the reserve pit and after inspection by a BLM representative, will a plastic nylon reinforced liner be used. If a plastic liner is used, it will be a minimum of 12 mil thickness with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. Ancillary Facilities

A. Camp facilities or airstrips will not be required.

9. Well Site Layout

A. See Exhibit H.

B. See Exhibit H.

C. See Exhibit H.

The reserve pit will be located on the southeast side of the

location.

The flare pit will be located downwind of the prevailing wind direction on the south side of the location a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

Topsoil - will be stored at the north side of the location.

Access to the well pad will be from the west.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

a. 39-inch net wire shall be used with at least one strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).

b. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.

c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

d. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.

e. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

10. Plans for Restoration of Surfaces

A. Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn

and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.

The BLM will be contacted for required seed mixture.

B. Dry Hole/ Abandoned Location:

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Road: Federal
Location: Federal

12. Other Additional Information

A. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;

- The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

- A time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocated activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for

mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

Archaeological clearance was done on this location by Snyder Oil Company in 1995

Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

13. Lessee's or Operators Representative and Certification Representative

Kary J. Kaltenbacher
Wildrose Resources Corporation
4949 South Albion Street
Littleton, CO 80121
Telephone: 303-770-6566

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his sub-contractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/her contractor shall contact the BLM Office at (801) 789-1362 forty eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

Self-Certification Statement:

Please be advised that Wildrose Resources Corporation is considered to be the operator of Pinehurst Federal Well No. 3-8, SE/4 NE/4 of Section 3, Township 9 South, Range 17 East; Lease Number U-61252; Duchesne County, Utah; and is responsible for the operations conducted upon the leased lands. Bond coverage is provided by Statewide Oil and Gas Bond No. 229352, Allied Mutual Insurance Company, approved by the BLM effective October 26, 1987.

Certification

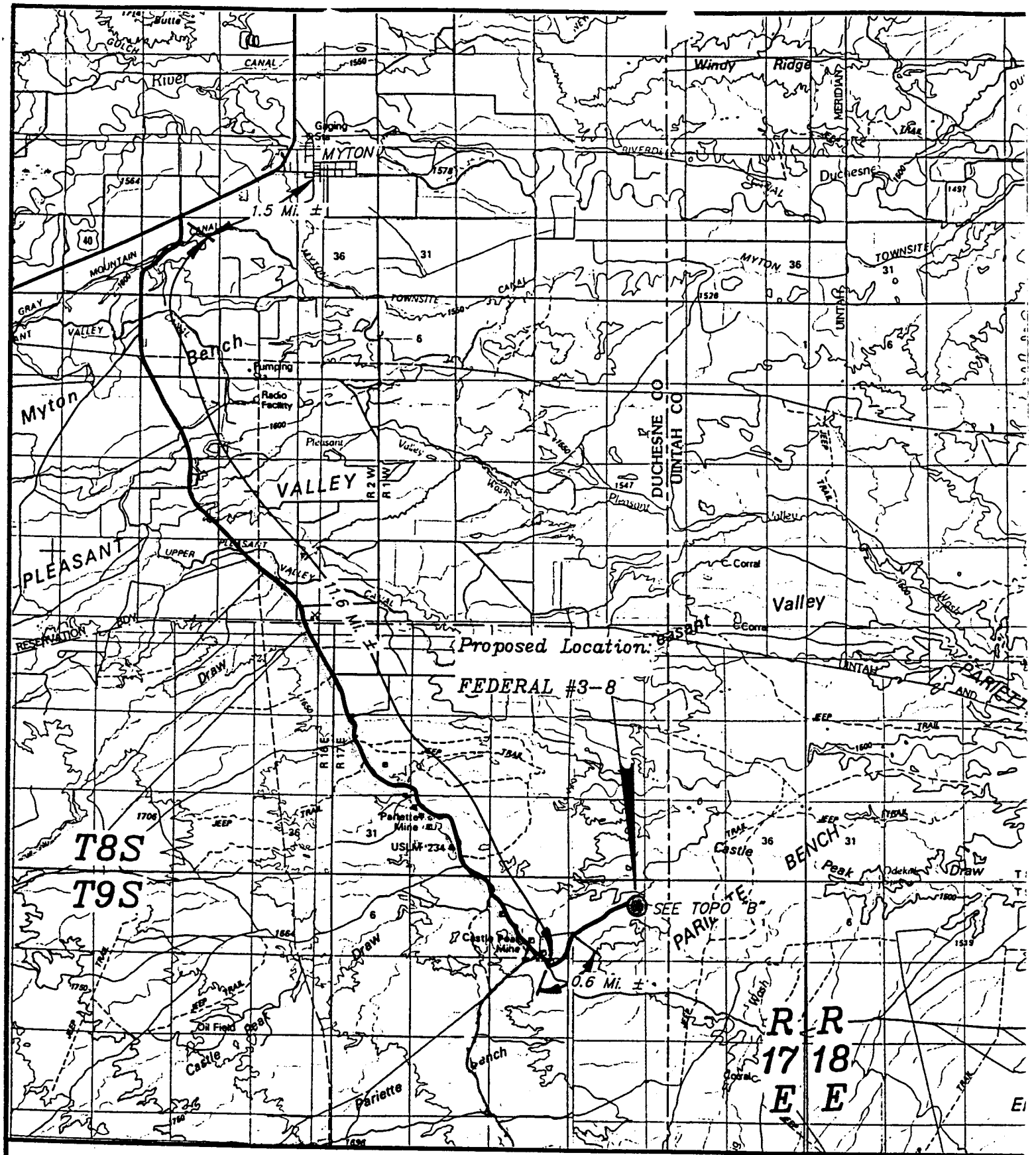
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and, that the work associated with the operations proposed here will be performed by Wildrose Resources Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date Dec. 5, 1996

Kary J. Kaltenbacher
Vice President

CONFIDENTIAL STATEMENT

WILDROSE RESOURCES CORPORATION, AS OPERATOR, REQUESTS THAT ALL INFORMATION RELATED TO THIS WELL BE HELD TIGHT FOR THE MAXIMUM PERIOD ALLOWED BY FEDERAL AND STATE REGULATIONS.



TOPOGRAPHIC
MAP "A"
Exhibit 'E-1'

DATE: 2/21/95 D.COX

N

FEDERAL #3-8
SECTION 3, T9S, R17E, S.L.B.&M.
1980' FNL 660' FEL

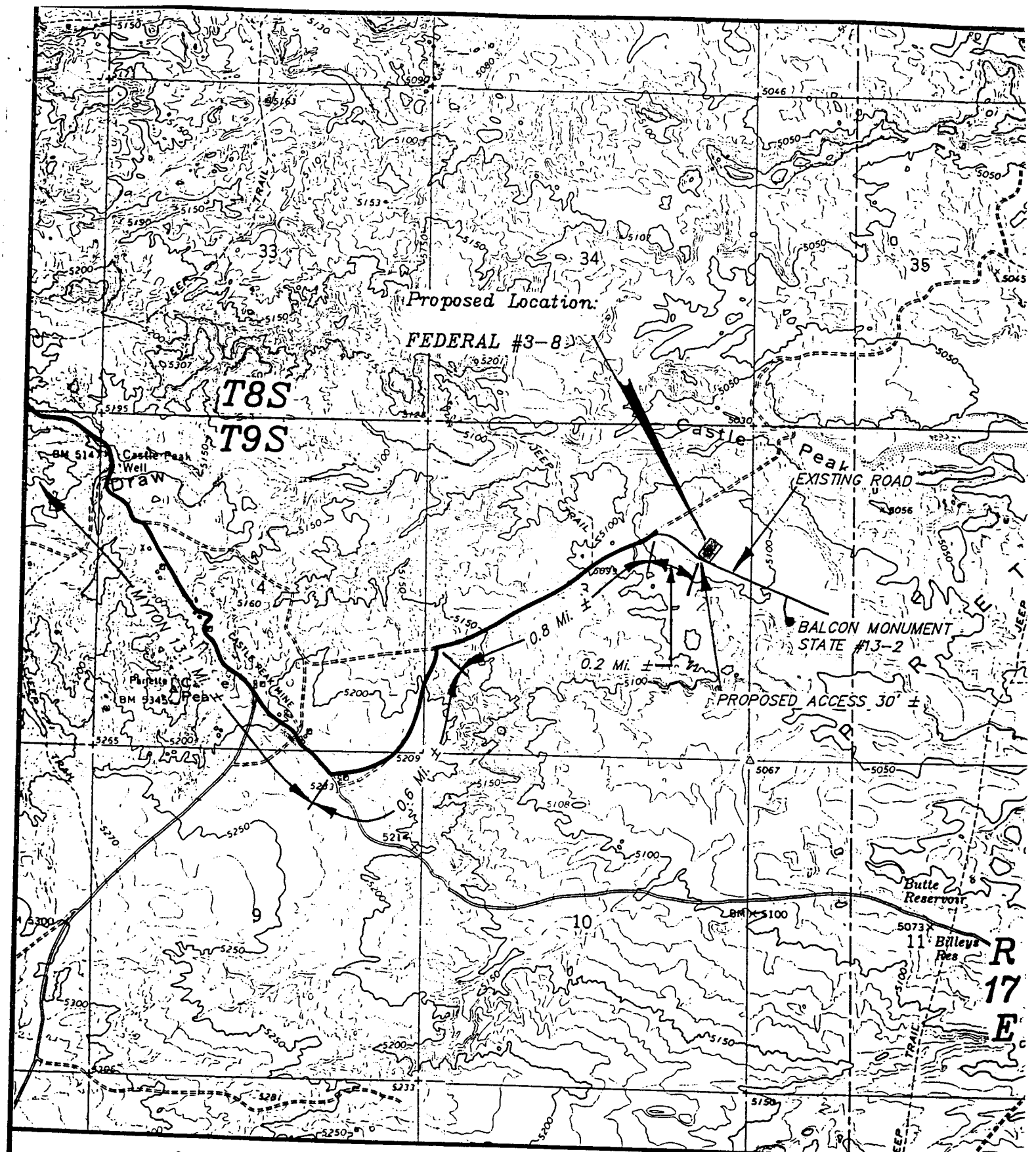


Exhibit 'E-2'

TOPOGRAPHIC

MAP "B"

SCALE: 1"=2000'

DATE: 2/21/95 D.COX

Wildrose Resources Corp.

MONUMENT BUTTE FEDERAL #3-8
SECTION 3, T9S, R17E, S.L.B.&M.
1980' FNL 660' FEL

PROPOSED PRODUCTION FACILITY DIAGRAM

VALVE DESCRIPTION		
	DURING PROD.	DURING SALES
VALVE #1	CLOSED	OPEN
VALVE #2	OPEN	CLOSED
VALVE #3	CLOSED	OPEN
VALVE #4	OPEN	CLOSED
VALVE #5	CLOSED	CLOSED
VALVE #6	CLOSED	CLOSED
VALVE #7	CLOSED	OPEN

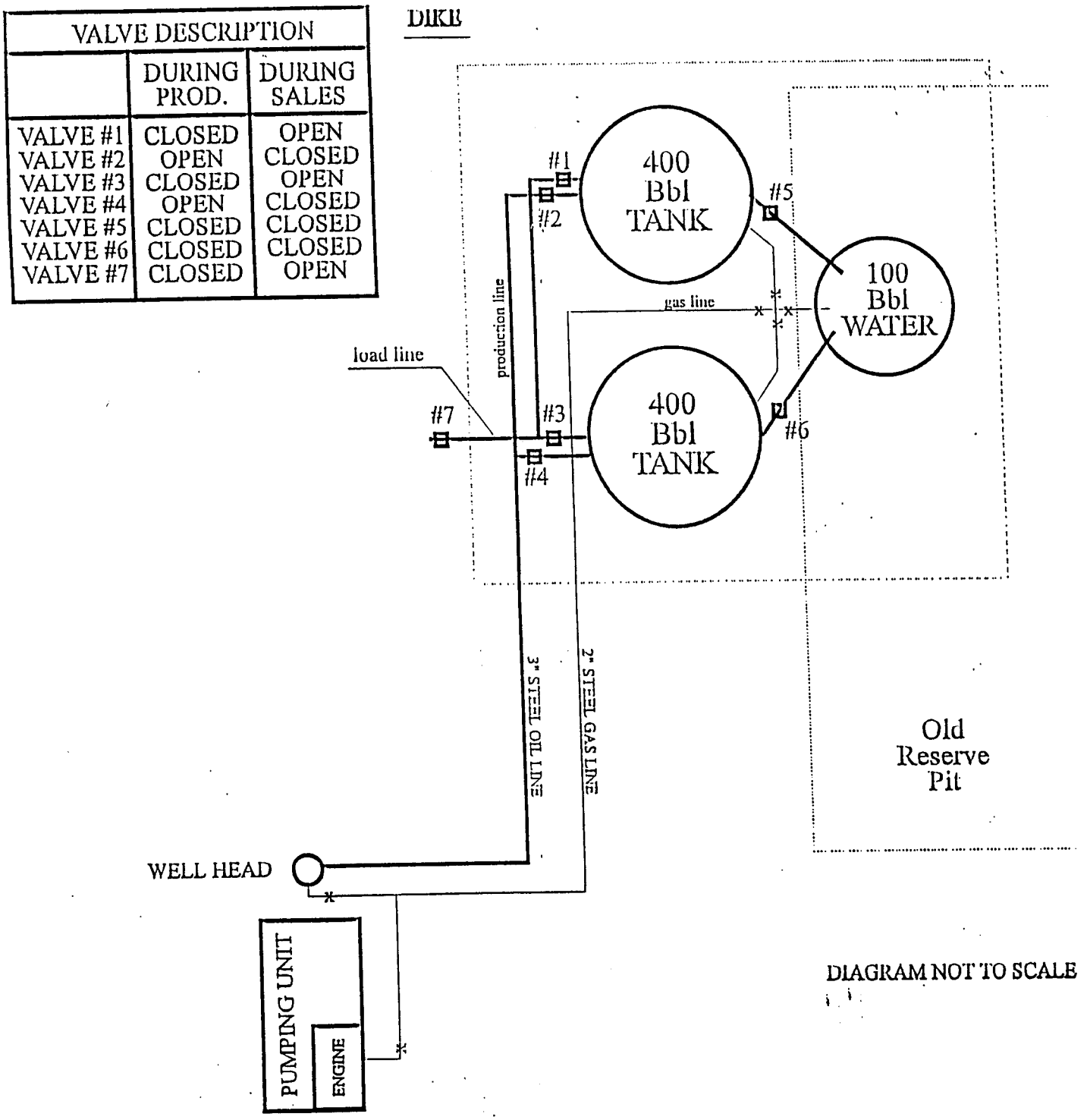
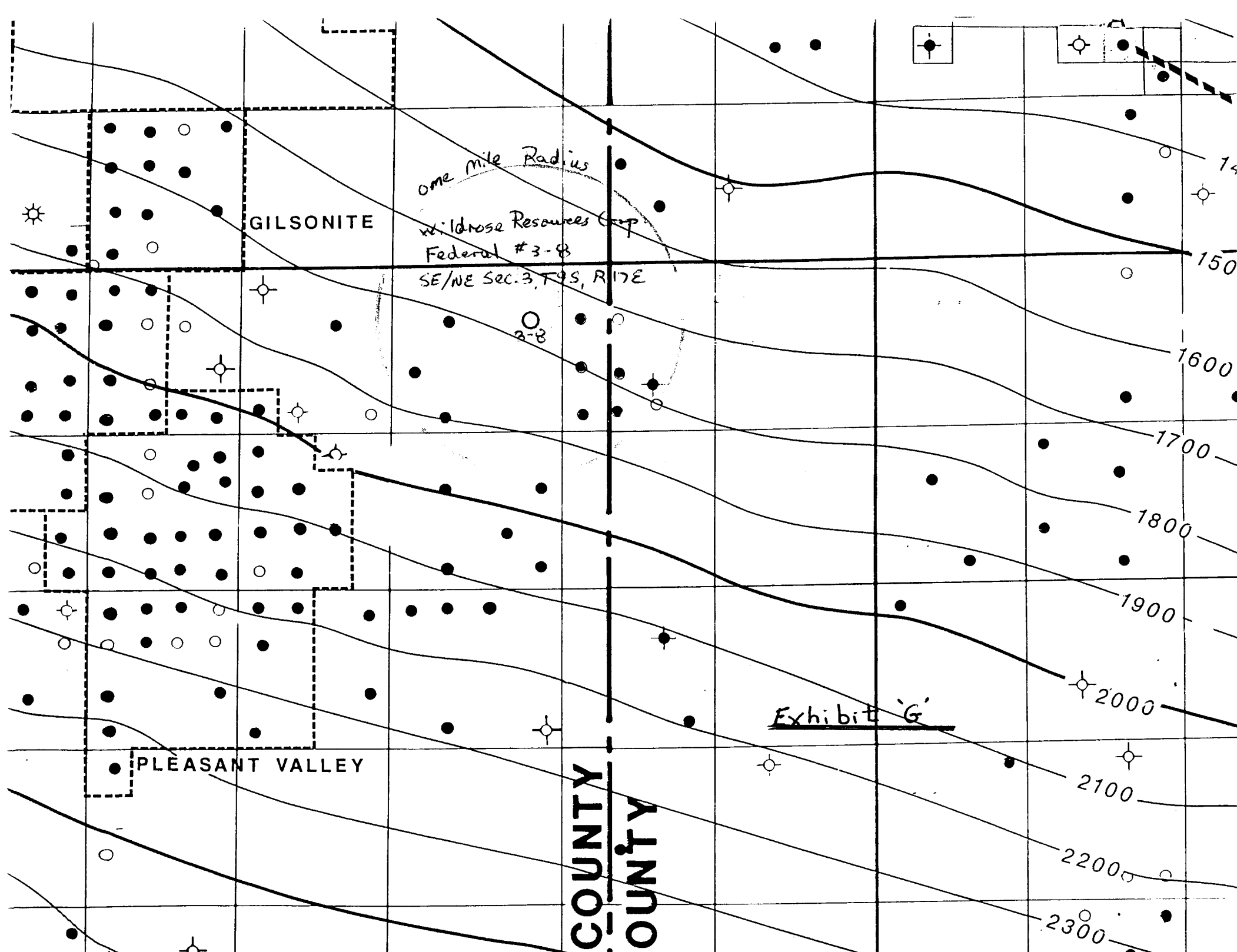


Exhibit 'F'


GILSONITE
PLEASANT VALLEY
COUNTY
OUNTY
one Mile Radius
Wildrose Resources Corp
Federal #3-8
SE/NE Sec. 3, T9S, R17E
3-8
1500
1600
1700
1800
1900
2000
2100
2200
2300
Exhibit 'G'

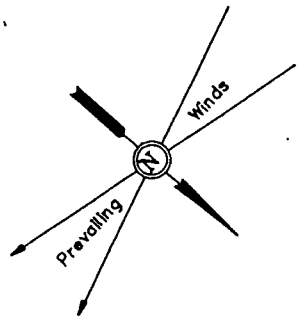
Wildrose Resources Corp.

LOCATION LAYOUT FOR

FEDERAL #3-8

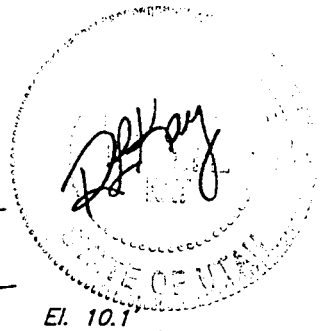
SECTION 3, T9S, R17E, S.L.B.&M.

1980' FNL 660' FEL



SCALE: 1" = 50'
DATE: 2-21-95
Drawn By: C.B.T.

FIGURE #1



Existing Road

C-3.9' El. 09.2'

C-3.5' El. 08.8'

El. 10.1' C-4.8'

Sta. 3+35

100'

Proposed Access Road

APPROX. TOP OF CUT SLOPE

10' Flare Pit ±6' Deep 15'

BERM

175'

CATWALK

DATA

NOTE:
FLARE PIT IS TO BE LOCATED A MINIMUM OF 100' FROM THE WELL HEAD.

El. 06.8' C-1.5'

PIPE RACKS

El. 05.9' C-10.6' (Btm. Pit)

C-0.5' El. 05.8'

60'

20'

40'

RIG

DOG HOUSE

100'

Sta. 1+60

El. 06.2' C-0.9'

RESERVE PIT (10' Deep)

MUD TANKS

WATER

TRAILER

PUMP

MUD SHED

TOILET

HOPPER

POWER

FUEL

TOOLS

COMPRESSORS

TRASH

STORAGE TANK

Reserve Pit Backfill & Spoils Stockpile

10' WIDE DIKE

170'

PIT CAPACITY WITH 2' OF FREEBOARD = 9,160 Bbls.

1 1/2:1 (TYP.)

Topsoil Stockpile

Sta. 0+25

160'

El. 04.6' C-9.3' (Btm. Pit).

Sta. 0+00

El. 05.0' F-0.3'

F-0.7' El. 04.6'

F-0.3' El. 05.0'

El. 05.3' GRADE

Elev. Ungraded Ground at Location Stake = 5105.8'

Elev. Graded Ground at Location Stake = 5105.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

Exhibit 'H-1'

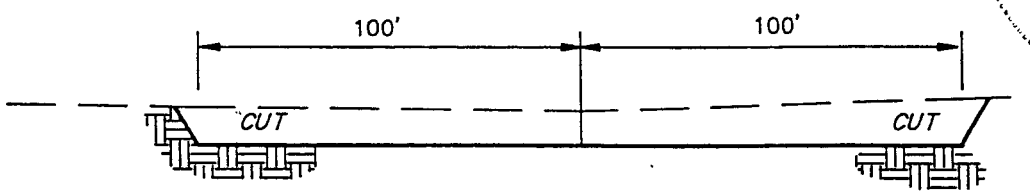
Wildrose Resources Corp.

TYPICAL CROSS SECTIONS FOR

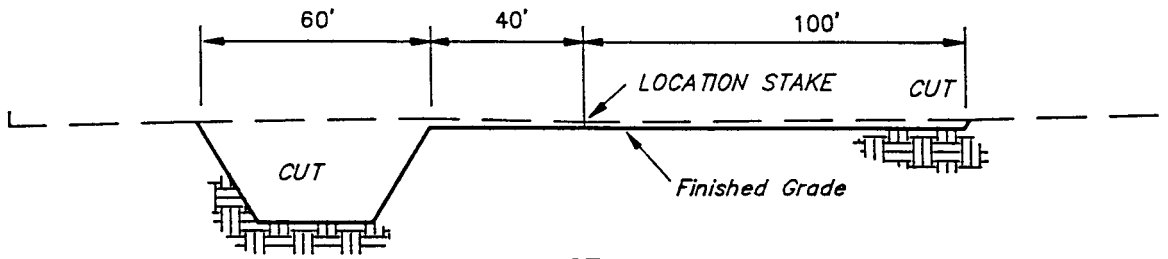
FEDERAL #3-8
SECTION 3, T9S, R17E, S.L.B.&M.
1980' FNL 660' FEL

1" = 20' X-Section Scale
1" = 50'

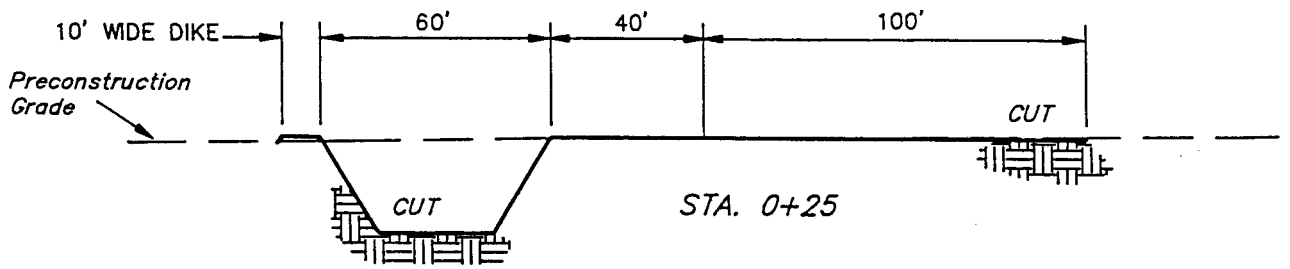
DATE: 2-21-95
Drawn By: C.B.T.



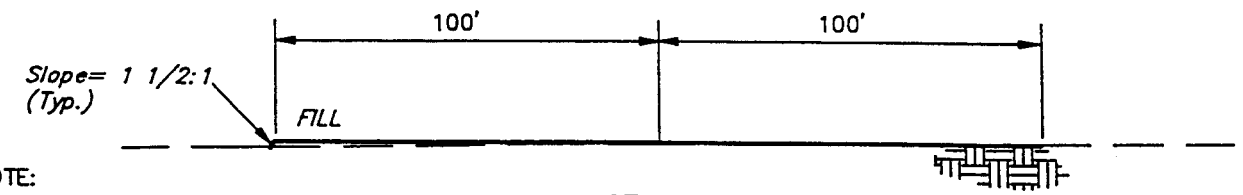
STA. 3+35



STA. 1+60



STA. 0+25



STA. 0+00

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

FIGURE #2

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping	= 1,240 Cu. Yds.
Remaining Location	= 4,940 Cu. Yds.
TOTAL CUT	= 6,180 CU.YDS.
FILL	= 350 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 5,810 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,550 Cu. Yds.
EXCESS CUT MATERIAL	= 3,260 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

Exhibit 'H-2'

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/10/96

API NO. ASSIGNED: 43-013-31761

WELL NAME: PINEHURST FED 3-8
OPERATOR: WILDROSE RESOURCES CORP (N9660)

PROPOSED LOCATION:
SENE 03 - T09S - R17E
SURFACE: 1980-FNL-0660-FEL
BOTTOM: 1980-FNL-0660-FEL
DUCHESNE COUNTY
MONUMENT BUTTE FIELD (105)

LEASE TYPE: FED
LEASE NUMBER: UTU-61252

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

✓ Plat
✓ Bond: Federal [✓] State[] Fee[]
(Number 229352)
N Potash (Y/N)
N Oil shale (Y/N)
✓ Water permit
(Number 43-1721)
N RDCC Review (Y/N)
(Date:)

LOCATION AND SITING:

___ R649-2-3. Unit: ___

✓ R649-3-2. General.

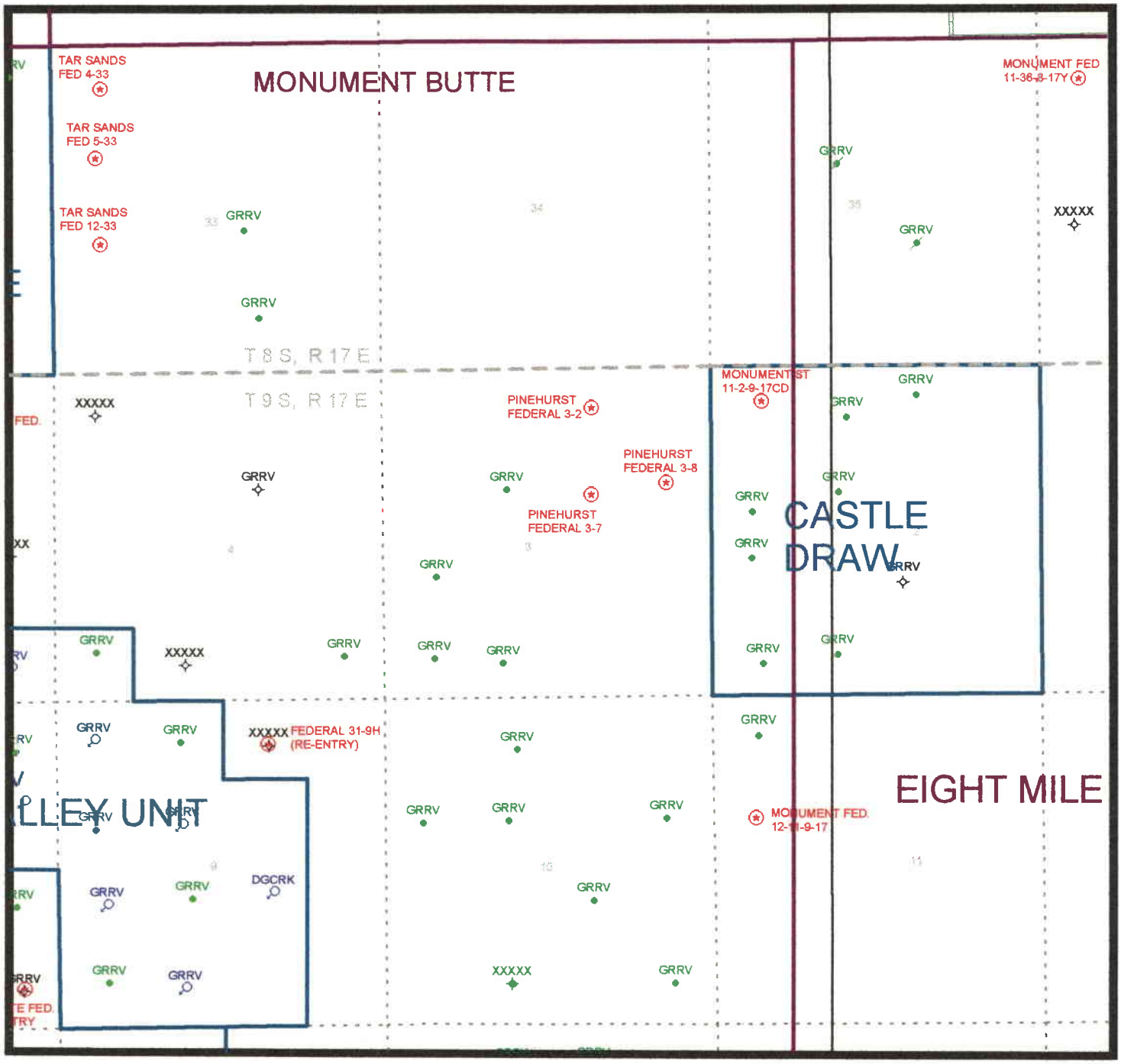
___ R649-3-3. Exception.

___ Drilling Unit.
Board Cause no: ___
Date: ___

COMMENTS: ___

STIPULATIONS: ___

OPERATOR: WILDROSE RESOURCES
FIELD: MONUMENT BUTTE (105)
SECTION: 3 T9S R17E
COUNTY: DUCHESNE
SPACING: UAC R649-3-2



PREPARED:
DATE: 12-DEC-96

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: WILDROSE RESOURCES COR	Well Name: PINEHURST FED 3-8
Project ID: 43-013-31761	Location: SEC 3 - T9S - R17E

Design Parameters:

Mud weight (8.90 ppg) : 0.462 psi/ft
Shut in surface pressure : 2401 psi
Internal gradient (burst) : 0.075 psi/ft
Annular gradient (burst) : 0.000 psi/ft
Tensile load is determined using air weight
Service rating is "Sweet"

Design Factors:

Collapse : 1.125
Burst : 1.00
8 Round : 1.80 (J)
Buttress : 1.60 (J)
Other : 1.50 (J)
Body Yield : 1.50 (B)

	Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost
1	6,200	5.500	15.50	J-55	ST&C	6,200	4.825	

	Collapse Load (psi)	Collapse Strgth (psi)	Collapse S.F.	Burst Load (psi)	Min Int Yield Strgth (psi)	Burst S.F.	Tension Load (kips)	Tension Strgth (kips)	Tension S.F.
1	2866	4040	1.410	2866	4810	1.68	96.10	202	2.10 J

Prepared by : MATTHEWS, Salt Lake City, Utah
Date : 01-21-1997
Remarks :

GREEN RIVER
Minimum segment length for the 6,200 foot well is 1,500 feet.
SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 126°F (Surface 74°F , BHT 161°F & temp. gradient 1.400°/100 ft.)
String type: Production
The mud gradient and bottom hole pressures (for burst) are 0.462 psi/ft and 2,866 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
Costs for this design are based on a 1987 pricing model. (Version 1.07)

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

January 21, 1997

Wildrose Resources Corporation
4949 South Albion Street
Littleton, Colorado 80121

Re: Pinehurst Federal 3-8 Well, 1980' FNL, 660' FEL, SE NE, Sec. 3, T. 9 S., R. 17 E., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31761.

Sincerely,

R. J. Firth
Associate Director

lwp
Enclosures
cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Wildrose Resources Corporation

Well Name & Number: Pinehurst Federal 3-8

API Number: 43-013-31761

Lease: U-61252

Location: SE NE Sec. 3 T. 9 S. R. 17 E.

Conditions of Approval

1. General
   Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements
   Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

   Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements
   All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: UTU-61252

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] OTHER — SINGLE ZONE [XX] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Pinehurst Federal

2. NAME OF OPERATOR: Wildrose Resources Corporation PH: 303-770-6566

9. WELL NO.: 3-8

3. ADDRESS OF OPERATOR: 4949 South Albion Street, Littleton, CO 80121

10. FIELD AND POOL, OR WILDCAT: Monument Butte

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: 1980' FNL & 660' FEL (SE¼NE¼)
At proposed prod. zone: Same

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 3, T9S, R17E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 9 miles SE of Myton, Utah

12. COUNTY OR PARISH: Duchesne — 13. STATE: Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
660'	279.49	40
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
1339'	6200'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 5030' GR

22. APPROX. DATE WORK WILL START*: March 15, 1997

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#, J-55	300'	225 sx
7-7/8"	5-1/2"	15.5#, J-55	6200'	800 sx

SEE ATTACHED EXHIBITS:
A - Surveyors Plat
B - 10 Point Plan
C - BOP Diagram
D - 13 Point Surface Use Program
E - Access Road Map
F - Production Facilities
G - Existing Wells Map
H - Pit & Pad Layout, Cuts & Fills, Cross Sections, Rig Layout

DEC 09 1996

NOTE: This A.P.D. is a re-submittal of the exact location preiously approved by the B.L.M. in June, 1995, for Snyder Oil Company. Wildrose Resources Corporation is now Operator of this lease.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Kenny J. Kettle, Jr. TITLE Vice President DATE December 6, 1996

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE Assistant Field Manager Mineral Resources DATE JAN 22 1997

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
JAN 28 1997
DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Wildrose Resources Corporation

Well Name & Number: Pinehurst Fed. 3-8

API Number: 43-013-31761

Lease Number: U-61252

Location: SENE Sec. 03 T. 09S R. 17E

NOTIFICATION REQUIREMENTS

Location Construction	-	at least forty-eight (48) hours prior to construction of location and access roads.
Location Completion	-	prior to moving on the drilling rig.
Spud Notice	-	at least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing	-	at least twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Related Equipment Tests	-	at least twenty-four (24) hours prior to initiating pressure tests.
First Production Notice	-	within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders.** Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

If conductor pipe is set it shall be cemented to surface. If drive pipe is used it shall be pulled prior to cementing surface casing.

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected via the cementing program. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to **Top Of Cement** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to $10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne P. Bankert Petroleum Engineer	(801) 789-4170
Ed Forsman Petroleum Engineer	(801) 789-7077
Jerry Kenczka Petroleum Engineer	(801) 789-1190
BLM Fax Machine	(801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids

- Gas plant cooling tower cleaning wastes

- Painting wastes

- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes

- Liquid and solid wastes generated by crude oil and tank bottom reclaimers

- Used equipment lubrication oils

- Waste compressor oil, filters, and blowdown

- Used hydraulic fluids

- Waste solvents

- Waste in transportation pipeline-related pits

- Caustic or acid cleaners

- Boiler cleaning wastes

- Boiler refractory bricks

- Incinerator ash

- Laboratory wastes

- Sanitary wastes

- Pesticide wastes

- Radioactive tracer wastes

- Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM
Conditions of Approval (COA)

METHODS FOR HANDLING WASTE MATERIALS AND DISPOSAL

The reserve pit shall be lined with a synthetic liner that is a minimum of 12 mil thickness with sufficient bedding to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.

Plans For Reclamation Of Location

At time of final abandonment the intent of reclamation will be to return the disturbed area to near natural conditions. Recontour the surface of the disturbed area to **blend all cuts, fills, road berms, and borrow ditches to be natural in appearance** with the surrounding terrain. After recontouring of the area any stockpiled topsoil will be spread over the surface, and the area reseeded and revegetated to the satisfaction of the authorized officer of the BLM. Contact the authorized officer of the BLM at the time of reclamation for the required seed mixture.

Other Information

If this is a producing well, the pumping unit will be equipped with a **multicylinder engine or a hospital type muffler** to reduce noise that may interfere with the reproductive behavior of the raptors.

MOUNTAIN PLOVERS & BURROWING OWLS
No surface disturbing activities, construction, or drilling operations including the initial completion activities are to occur on the well, access road, or location from March 15 through August 15. This restriction is to protect the nesting Mountain Plovers and Burrowing Owls located in the surrounding area. The restriction does not apply to maintenance and operation of existing wells and facilities. Waivers, exceptions, or modifications to this restriction may be specifically approved in writing by the authorized officer of the Bureau of Land Management if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

An example of an exception: could be to contact the authorized officer of the BLM to coordinate additional surveys for mountain plover & burrowing owl. The notification will be required a minimum of 14 days prior to surface disturbance to allow time to conduct a wildlife survey. If an active nest or chicks are found, the proposed activity will be delayed until the chicks are out of downy plumage or the brood vacates the area.

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: WILDROSE RESOURCES

Well Name: PINE HURST FEDERAL 3-8

Api No. 43-013-31761

Section: 3 Township: 9S Range: 17E County: DUCHESNE

Drilling Contractor UNION

Rig # 17

SPUDDED:

Date 4/14/97

Time

How ROTARY

Drilling will commence

Reported by D. INGRAM

Telephone #

Date: 4/17/97 Signed: JLT

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR Wildrose Resources Corp.

ADDRESS 4949 S. Albion St.
Littleton, CO 80121

OPERATOR ACCT. NO. N 9660

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
A	99999	12107	4301331761	Pinehurst Fed. 3-8	SE/NE	3	9S	17E	Duchesne	4/14/97	
WELL 1 COMMENTS: Entity added 4-22-97. Lec											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

RECEIVED
APR 22 1997
DIV. OF OIL, GAS & MINING

Kay Kaltenbach
Signature

V.P.
Title

4/17/97
Date

Phone No. (303) 770-6566

Form 3160-4
(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: U-61252

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

8. FARM OR LEASE NAME: Pinehurst Fed.

2. NAME OF OPERATOR: Wildrose Resources Corporation

9. WELL NO.: 3-8

3. ADDRESS OF OPERATOR: 4949 S. Albion St, Littleton, CO 80121

10. FIELD AND POOL, OR WILDCAT: Monument Butte

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)*
At surface: 1980' FNL & 660' FEL (SE/NE)
At top prod. interval reported below: Same
At total depth: Same

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 3, T9S, R17E

CONFIDENTIAL

14. PERMIT NO.: 43-013-31761 DATE ISSUED

12. COUNTY OR PARISH: Duchesne

13. STATE: Utah

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
4/14/97	4/20/97	5/18/97	5030' GR	5030'

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
5750'	5698'	—	→	0'	—

RECEIVED
JUN 20 1997
DIV. OF OIL, GAS & MINING

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 5083' - 5601' Green River

25. WAS DIRECTIONAL SURVEY MADE: No

26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL, FDC-CNL, CBL 6-20-97

27. WAS WELL CORED: No

28. CASING RECORD (*Report all strings set in well*)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24	293	12 1/4	200 SX (To Surface)	—
5 1/2	17	5745	7 7/8	550 SX	—

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)
N/A			CONFIDENTIAL	

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5619	—

31. PERFORATION RECORD (*Interval, size and number*)
5589' - 5601' : .45" - 48 Holes
5083' - 5097' : .45" - 56 Holes
5105' - 5111' : .45" - 24 Holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5589' - 5601'	88,476 # 20/40 sand w/ 482 bbl x-link gelled water
5083' - 5111'	100,700 # 20/40 Sand w/ 593 bbl x-link gelled water

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)
5/20/97	Pumping - Beam	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
5/23/97	24	—		90	40 (est)	10	444

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
—	220		90	40	10	31°

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*): Used for fuel, vented

CONFIDENTIAL PERIOD EXPIRED ON 1.23.98

TEST WITNESSED BY: E. Wilcken

35. LIST OF ATTACHMENTS: Logs, Daily Reports

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Kary Kaltenbach TITLE V.P. DATE 6/5/97

***(See Instructions and Spaces for Additional Data on Reverse Side)**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

CONFIDENTIAL

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Green River	1483'	1483'
Douglas Creek	4729'	4729'

CONFIDENTIAL

DAILY DRILLING REPORT

Operator: Wildrose Resources Corporation
Well: #3-8 Pinehurst Federal
T 9 S, R 17 E, Section 3
SE NE (1980' FNL, 660' FEL), U-61252
Duchesne County, Utah
Projected TD - 5700'
Elevation: GR: 5106', KB: 5116' estimated
Contractor: Union Drilling Rig #17

04/15/97 Day 1: TD-310'. NUBOP's. MI & RU Union Rig #17. Spudded @ 1:30 PM 4/14/97. Drld 12 1/4 hole to 310' w/ Bit #1 & #2 using air/foam. Ran 7 jts (283') of 8 5/8", 24#, J-55 csg w/ guide shoe, insert float, and 3 centralizers. Set csg @ 293' KB. RU HOWCO. Pumped 10 BW & 20 bbl gel water. Cemented w/ 200 sx Class 'G' w/ 2% KCl2 and 1/4 #/sk Flocele. Displaced w/ 16 BW. Bumped plug @ 12:45 AM 4/15/97. Had good cement to surface. WOC. Now NIBOP's.

04/16/97 Day 2: TD-831' drlg. Drld 521' in 11 hrs w/ air/foam. Tested BOP's to 2000 psi, csg to 1500 psi. Ran Bit #3, 7 7/8". SEC S88CFH @ 310'. Bit #3 has drld 521' in 11 hrs. Survey: 1 1/4 @ 650'.

04/17/97 Day 3: TD-2198' drlg. Drld 1367' in 23 hrs w/ air/foam. Bit #2 has drld 1888' in 34 hrs. Surveys: 2 @ 1150', 2 @ 1650'.

04/18/96 Day 4: TD-3350' drlg. Drld 1152' in 22 3/4 hrs w/ air/foam. Bit #2 has drld 3040' in 56 3/4 hrs. Survey: 2 @ 2150', 1 3/4 @ 2550', 1 1/2 @ 3000'.

04/19/97 Day 5: TD-4103'. TOH for bit. Drld 753' in 20 3/4 hrs w/ 2% KCl substitute. Bit #3 drld 3793' in 77 1/2 hrs. Survey: 1 1/2 @ 3500'.

04/20/97 Day 6: TD-5000' drlg. Drld 897' in 18 1/4 hrs w/ 2% KCl substitute. Ran Bit #4, 7 7/8" SEC ERA33 @ 4103' Bit #4 has drld 897' in 18 1/4 hrs. Surveys: 1 1/4 @ 4103', 1 1/2 @ 4650'.

04/21/97 Day 7: TD-5750' logging. Drld 750' in 15 1/4 hrs w/ 2% KCl substitute. Pulled Bit #4 @ 5750'. Bit #4 drld 1647' in 33 1/2 hrs. LDDP. RU HOWCO to log. Surveys: 1 1/2 @ 5100', 2 @ 5600'.

04/22/97 Day 8: TD-5750'. PBTD-5698'. Ran logs using Halliburton as follows:

DIL	293'-5744'
HRI	4925'-5746'
FDC-CNL	4000'-5711'

Logger's TD-5746'. RD Halliburton. RU csg crew. Ran csg as follows:

Guide shoe
1 jt 5 1/2", 17#, CF-50, LTC
Float collar
133 jts 5 1/2", 17#, CF-50, LTC

w/ 10 centralizers. Set csg @ 5745'. Circulated for 1/2 hr. RU HOWCO. Pump 5 BW, 20 bbl gel water. Cemented w/ 190 sx 65/35 Poz & 360 sx 50/50 Poz, 2% gel, 10% salt, & 0.5% Halad 322. Displaced w/ 131 bbl 2% KCl water @ 8 BPM. Bumped plug w/ 1800 psi. Plug down @ 2 PM 4/21/97. Float held. Released rig @ 4 PM 4/21/97. Drop from report pending completion.

DAILY COMPLETION REPORT

Operator: Wildrose Resources Corporation
Well: #3-8 Pinehurst Federal
T 9 S, R 17 E, Section 3
SE NE (1980' FNL, 660' FEL), U-61252
Duchesne County, Utah
PBTD - 5667'
Elevation: GR: 5106', KB: 5116'
Contractor: Betts Well Service

04/27/97 MI & RU Western Atlas mast truck. Ran CBL from 5646'-4000' & @ cement top @ 100'. RD Western Atlas.

05/01/97 Day 1: PBTD-5667'. MI & RU Betts Well Service. NUBOP's. Ran 4 3/4" bit & scraper w/ SN on 177 jts 2 7/8" tbg (used). Tagged @ 5667' (soft tag). Pulled 1 jt tbg. Dropped standing valve. Pressure tested tbg to 2000 psi for 5 min. Retrieved standing valve w/ sand line. SIFN.

05/02/97 Day 2: PBTD-5680'. Circulated out soft cement to 5680'. Circulated bottoms up. Pulled 1 jt tbg. Tested csg & BOP to 3500 psi. RU to swab. Swabbed FL down to 5000' (110 bbls). POH w/ tbg. SIFN.

05/03/97 Day 3: RU Western Atlas. Found FL @ 5300'. PERFORATED ZONE #1 Lower Douglas Creek: 5589'-5601' (12') w/ 4 JSPF (48 holes) using 4" csg gun. RD Western Atlas. TIH w/ SN on 175 jts tbg to 5608'. RU to swab. FL @ 5300'. 1st run - recovered 1 BF - est 50% oil. 2nd run - recovered 1/2 BF - 10% oil, 3rd run - no recovery. SIFN.

05/04/97 Day 4: TP=50, CP=225. FL @ 2700' (gas cut). 1st run - recovered 8 BO. 2nd run - FL @ 3900'. Recovered 5 BF - est 50% oil. POH w/ tbg. RU HOWCO to frac down 5 1/2" csg as follows:

VOLUME	EVENT	RATE	AVERAGE TREATMENT PRESSURE
245 gal	Parachek 160	-	-
3006 gal	Pad - 30# BoraGel	20 BPM	-
1000 gal	1-6 ppg 20/40 (30# BG, 4,100#)	20 BPM	0 psi
8008 gal	6-8 ppg 20/40 (30# BG, 56,056#)	31 BPM	1400 psi
2832 gal	8-10 ppg 20/40 (30# BG, 28,320#)	31 BPM	1520 psi
5411 gal	Flush - gelled water	31 BPM	1720 psi

Formation broke @ 1640 psi. Frac Volumes: 482 bbl water, 88,476# 20/40 sand. ISIP=1618 psi. Started flow back immediately. Flowed back 124 BLW in 3 1/2 hrs. CP=0. 358 BLWTR. SIFN.

05/06/97 Day 5: CP=25. Flowed 1/4 BLW (20% oil). TIH w/ notched collar on 169 jts tbg to 5413'. Circulated hole clean. POH w/ tbg. Ran Baker Model 'C' BP on 163 jts tbg. Set BP @ 5212'. LD 1 jt tbg. Pressure tested BP to 3500 psi. RU to swab. Swabbed 100 BLW - FL @ 4600'. POH w/ tbg. RU Western Atlas. PERFORATED 'Terra Cotta' sand: 5083'-5097' (14') and 5105'-5111' (6') w/ 4 JSPF (80 holes) using 4" csg gun. Perforating gun apparently jumped up hole and wrapped approximately 50'-60' of line around gun. Tried to pull out, but line parted leaving gun plus 50'-60' of wire line in hole. SIFN. Will try to fish today.

05/07/97 Day 6: CP=20 psi. Blew down gas in 5 min. Ran Graco line spear, circulating sub, bumper sub, & jars on 154 jts tbg. Tag fish (perforating gun) @ 4941'. Turned tbg several turns just above fish. Appeared to be catching line. POH - no recovery. Ran 1 3/8" overshot, extender, bumper sub, & jars on 154 jts tbg. Tagged gun @ 4942'. Put weight on fish 3 times - appeared to latch onto fish. On 5th stand out - pulled 5000# over string weight for just an instant. POH - no recovery. Metal shavings in overshot indicate overshot was on gun temporarily. Ran 1 3/4" overshot w/ extender, bumper sub, & jars on 144 jts tbg. Tagged fish @ 4714'. Could not get solid hold of 3" long neck w/ 1.7" OD. POH w/ tbg & tools. SIFN.

05/08/97 Day 7: CP=200 psi @ 7 AM 5/7/97/ Blew down csg. Ran 4 11/16" overshot w/ 3 1/8" grapples (to catch collar locator body) w/ tbg sub, bumper sub & jar on 40 stds tbg to 2551'. Loaded hole w/ 18 BLW (FL @ 900'). Circulated out oil & gas w/ 60 BLW. Ran 33 stds tbg (total of 146 jts) to 4689'. Circulated 147th jt from 4689'-4721'. Did not tag @ 4714' where fish apparently was yesterday @ shut down. Started circulating up frac sand. Circulated down 4 more jts from 4721'-4850'. Tagged hard @ 4850'. Circulated up a couple of sacks of frac sand w/ handfull of metal pieces. Broke through bridge @ 4850'. Circulated 3 more jts down from 4850'-4940'. Getting a little frac sand up. Tagged hard @ 4940' (153 & 2/3 jts in) - very close to where perf gun was originally tagged yesterday morning. Spudded & circulated @ 4940' but could not grab hold. Circulating clean w/ just a trace of sand. POH w/ overshot. Bottom of overshot indicated overshot was turning on wire. Ran 4 1/8" overshot (cutrite on bottom of overshot) w/ 1 3/8" grapple (to catch neck on top of collar locator) w/ extension, bumper sub, jars & 153 jts tbg to 4916'. Circulated down w/ jt 154 to fish @ 4940'. Set 8,000# down. Pulled up. Pulled 4,000# over & then dropped back to string weight. Set down 8,000# again - fish 10" higher. Pulled 2,000# over & dropped back. Circulated 15 min - clean. POH. Recovered all of perforating gun & approximately 35' of wireline. SIFN.

05/09/97 Day 8: CP=0. Ran 4 5/8" X 4" rotary shoe w/ wire catch lips, 4" X 8' wash pipe pup, bumper sub, & jars on 153 jts tbg to 4924'. RU power swivel. Circulated & rotated w/ 2 jts from 4924' to 4970'. Set down solid @ 4970'. Circulated up slug of sand w/ metal pieces (appears to be perforating debris). Milled on hard spot from 4970'-4970.5'. Getting up metal pieces & small amount sand. Wire catch lips cut in side of shoe preventing proper circulation around bottom of shoe. Circulated clean, POH w/ tools - recovered no wire. Shoe indicated milling on metal pieces. SIFN.

05/10/97 Day 9: CP= 50 @ 7AM 5/9/97. Ran 4 5/8" X 4" X 4' Rotary shoe w/ teeth, 4" X 8' wash pipe pup w/ wire catcher fingers inside, bumper sub & jars on 155 jts tbg. RU power swivel. Circulated & rotated down tbg @ 4967'. Milled from 4967' - 4970.5' quickly. Getting up iron metal pieces & wire & frac samd. Milled from 4970.5'-4971.5' hard. Started getting up steel metal shavings. Stopped milling - believed we were milling on BP. Circulated clean. POH w/ tools. Found some wear on the bottom & inside of mill shoe. Ran Baker BP retrieving tool. bumper sub & jar on 155 jts tbg. RU power swivel. Circulate down to BP @ 4971'. Released BP. Ran tbg down to 4980' - BP free. Circulate up oil & gas below BP till clean. POH w/ BP. LD fishing tools & BP. Ran notched collar on 21 jts tbg to 680'. SIFN.

05/11 - 05/12/97 SDF weekend

Operator: Wildrose Resources Corporation
Well: #3-8 Pinehurst Federal
T 9 S, R 17 E, Section 3
SE NE (1980' FNL, 660' FEL), U-61252
Duchesne County, Utah
PBTD - 5667'
Elevation: GR: 5106', KB: 5116'
Contractor: Betts Well Service

05/13/97 Day 10: TP=0, CP=0 @ 7 AM 5/12/97. Finished TIH w/ notched collar on 174 jts tbg. Circulated out sand from approximately 5610'-5693'. Circulated clean for 1/2 hr. POH w/ tbg. RU Halliburton wireline truck. Ran collar locater to insure perfs were at 5083'-5097' & 5105'-5111'. OK. RD Halliburton. Ran Baker Model 'G' BP & Retrievamatic packer on 164 jts tbg. Set BP @ 5245'. Pulled 3 jts tbg. Set packer @ 5156'. Pressure tested BP to 3500 psi for 5 min - OK. Released packer. Pulled 2 stds - packer @ 5027'. RU to swab - FL @ surface. Swabbed back 97 BLW in 2 1/2 hrs - FL @ 4800'. SIFN.

05/14/97 Day 11: TP=0, CP=0 @ 7 AM 5/13/97. FL @ 4800' - 1st run. Made 4 swab runs - recovered 3 BLW (trace of oil & gas on 1st run). Waited 1/2 hr - made 5th swab run. No recovery. POH w/ tbg & packer. RU HOWCO to frac down 5 1/2" csg as follows:

VOLUME	EVENT	RATE	AVERAGE TREATMENT PRESSURE
245 gal	Parachek 160	-	-
5003 gal	Pad - 30# BoraGel	28 BPM	Load hole
1091 gal	1-6 ppg 20/40 (30# BG, 4,364#)	31 BPM	2500 psi
9951 gal	6-9 ppg 20/40 (30# BG, 77,606#)	28 BPM	1900 psi
1873 gal	10 ppg 20/40 (30# BG, 18,730#)	26 BPM	1780 psi
4889 gal	Flush - linear gel	19 BPM	2170 psi

Zone broke @ 2180 psi @ end of pad. Frac Volumes: 543 bbl water, 100,700# 20/40 sand. ISIP=2273 psi. Started flow back immediately. Flowed back 125 BLW in 5 1/2 hrs. CP=0. Getting some sand back from 70-125 bbl of flow back. SIFN.

05/15/97 Day 12: CP=400 psi @ 7 AM 5/14/97. Blew down in 5 min - flowing load water - 1" stream. Ran BP retrieving tool on 79 jts to 2500'. Circulated bottoms up - no sand. RIH to 119 jts in - 3800'. Circulated bottoms up - no sand. RIH to 151 jts. Tagged sand @ 4823'. Circulated hole around - getting sand. Tried to run next stand but sand flowing up hole. Circulated out sand to BP @ 5245'. Sand stopped flowing once perforations uncovered. Circulated clean. Released BP. Circulated for 1 hr. POH w/ BP & 164 jts tbg. Ran notched collar & SN on 40 jts tbg to 1260'. SIFN. Approximately 710 BLWTR.

05/16/97 Day 13: TP=0, CP=5 @ 7 AM 5/15/97. Ran 110 jts tbg to 4800'. RU tp swab - FL @ surface - initial cut - 100% water. Swabbed 201 BF (est 170 BLW & 31 BO) in 4 1/2 hrs. FL @ 1400' w/ est oil cut of 60%. Ran 28 jts tbg. Tagged @ 5692'. POH w/ tbg. Ran 1 jt tbg, 4' perf sub, seating nipple, 19 jts tbg, tbg anchor, 155 jts tbg. Stripped off BOP's. Set anchor w/ 12,000# tension. BOT @ 5619'. SN @ 5582', anchor @ 4966'. NU wellhead to run rods. SIFN.

05/17/97 Day 14: TP=150, CP=150 @ 7 AM 5/16/97. Flushed tbg w/ 30 bbl hot load water. Ran 2 1/2" X 1 1/2" X 12' X 15' RHAC pump, 222-3/4" rods, 1-4', 1-2' X 3/4" pony rods, & 1-22' X 1 1/2" polished rod. Seated pump. Load tbg w/ 5 BLW. Pressured up to 1000 psi using hot oiler. Released to 400 psi. Pressured up 1000 psi stroking pump. Okay. Released pressure. Hung well on. RD & MO Betts Well Service. Hooking up flow lines.

05/18-20/97 Finished hooking up well. Wait on engine part. Start up unit @ 2 PM 5/20/97. 86" stroke, 65 SPM.

05/21/97 Pumped 30 BO & 90 BLW in 18 hrs. CP=250 psi. Approx 490 BLWTR.

05/15/97 Day 12: CP=400 psi @ 7 AM 5/14/97. Blew down in 5 min - flowing load water - 1" stream. Ran BP retrieving tool on 79 jts to 2500'. Circulated bottoms up - no sand. RIH to 119 jts in - 3800'. Circulated bottoms up - no sand. RIH to 151 jts. Tagged sand @ 4823'. Circulated hole around - getting sand. Tried to run next stand but sand flowing up hole. Circulated out sand to BP @ 5245'. Sand stopped flowing once perforations uncovered. Circulated clean. Released BP. Circulated for 1 hr. POH w/ BP & 164 jts tbg. Ran notched collar & SN on 40 jts tbg to 1260'. SIFN. Approximately 710 BLWTR.

05/16/97 Day 13: TP=0, CP=5 @ 7 AM 5/15/97. Ran 110 jts tbg to 4800'. RU tp swab - FL @ surface - initial cut - 100% water. Swabbed 201 BF (est 170 BLW & 31 BO) in 4 1/2 hrs. FL @ 1400' w/ est oil cut of 60%. Ran 28 jts tbg. Tagged @ 5692'. POH w/ tbg. Ran 1 jt tbg, 4' perf sub, seating nipple, 19 jts tbg, tbg anchor, 155 jts tbg. Stripped off BOP's. Set anchor w/ 12,000# tension. BOT @ 5619'. SN @ 5582', anchor @ 4966'. NU wellhead to run rods. SIFN.

05/17/97 Day 14: TP=150, CP=150 @ 7 AM 5/16/97. Flushed tbg w/ 30 bbl hot load water. Ran 2 1/2" X 1 1/2" X 12' X 15' RHAC pump, 222-3/4" rods, 1-4', 1-2' X 3/4" pony rods, & 1-22' X 1 1/2" polished rod. Seated pump. Load tbg w/ 5 BLW. Pressured up to 1000 psi using hot oiler. Released to 400 psi. Pressured up 1000 psi stroking pump. Okay. Released pressure. Hung well on. RD & MO Betts Well Service. Hooking up flow lines.

05/18-20/97 Finished hooking up well. Wait on engine part. Start up unit @ 2 PM 5/20/97. 86" stroke, 65 SPM.

05/21/97 Pumped 30 BO & 90 BLW in 18 hrs. CP=250 psi. Approx 490 BLWTR.

05/22/97 Pumped 110 BO & 10 BLW in 18 hrs. CP=200 psi.

05/23/97 Pumped 90 BO & 10 BLW. CP=220 psi. 470 BLWTR

05/24/97 Pumped 87 BO & 30 BLW. CP=220 psi.

05/25/97 Pumped 66 BO & 18 BLW. CP=220 psi.

05/26/97 Pumped 71 BO & 14 BLW. CP=220 psi. 408 BLWTR.

05/27/97 Shut down - tank room - roads too muddy to haul.

05/28/97 Pumped 75 BO & 5 BLW. CP=220. 403 BLWTR.

05/29/97 Pumped 76 BO & 4 BLW. CP=220. 399 BLWTR.

Drop from report.

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold) — Designation of Agent/Operator

X Operator Name Change — Merger

The operator of the well(s) listed below has changed, effective: **4/15/2004**

FROM: (Old Operator):	**TO:** (New Operator):
N9660-Wildrose Resources Corporation 3121 Cherryridge Road Englewood, CO 80110-6007 Phone: 1-(303) 761-9965	N5160-Inland Production Company 1401 17th St, Suite 1000 Denver, CO 80202 Phone: 1-(303) 893-0102

CA No. **Unit:**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
FEDERAL 43-35	35	080S	180E	4304732721	✓ 11830	Federal	S	OW	
WILDROSE FEDERAL 31-1	31	080S	190E	4304731415	✓ 9535	Federal	S	OW	
MONUMENT BUTTE 1-3	03	090S	170E	4301330642	✓ 1515	Federal	P	OW	
MONUMENT BUTTE 2-3	03	090S	170E	4301330810	✓ 1521	Federal	P	OW	
PINEHURST FEDERAL 3-7	03	090S	170E	4301331760	✓ 12108	Federal	P	OW	
PINEHURST FEDERAL 3-8	03	090S	170E	4301331761	✓ 12107	Federal	P	OW	
RIVIERA FEDERAL 3-11	03	090S	170E	4301331764	✓ 12118	Federal	P	OW	
RIVIERA FED 3-9	03	090S	170E	4301332183	✓ 13596	Federal	TA	OW	
RIVIERA FED 3-10	03	090S	170E	4301332184	✓ 13597	Federal	TA	OW	
FEDERAL 15-1-B	15	090S	170E	4301331023	✓ 10201	Federal	S	OW	
BIRKDALE FED 13-34	34	090S	180E	4304732777	✓ 12007	Federal	S	OW	
REX LAMB 34-1	34	040S	010E	4304731528	✓ 9690	Fee	S	OW	
REX LAMB 34-2	34	040S	010E	4304731692	✓ 9691	Fee	S	OW	
NGC ST 33-32	32	080S	180E	4304731116	✓ 6210	State	P	OW	
GULF STATE 36-13	36	080S	180E	4304731345	✓ 45	State	P	OW	
GULF STATE 36-11	36	080S	180E	4304731350	✓ 40	State	P	OW	
GULF STATE 36-12	36	080S	180E	4304731864	✓ 11002	State	S	OW	
GULF STATE 36-22	36	080S	180E	4304731892	✓ 11095	State	P	OW	
UTD STATE 36-K	36	080S	180E	4304732580	✓ 11752	State	P	OW	
UTD STATE 36-M	36	080S	180E	4304732581	✓ 11749	State	S	OW	

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 4/26/2004
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 4/26/2004
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 12/10/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 755627-0143
5. If **NO**, the operator was contacted contacted on: ____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: applied for

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC"** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 4/28/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 4/28/2004
3. Bond information entered in RBDMS on: 4/28/2004
4. Fee wells attached to bond in RBDMS on: 4/28/2004
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 4/28/2004

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 4021509 Wildrose

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RN4471290

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 4/28/2004

COMMENTS:

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER	5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached Exhibit
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME:
	8. WELL NAME and NUMBER: See Attached Exhibit
2. NAME OF OPERATOR: Inland Production Company N5160	9. API NUMBER:
3. ADDRESS OF OPERATOR: 1401 17th St. #1000 CITY Denver STATE Co ZIP 80202 PHONE NUMBER: (303) 893-0102	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL: FOOTAGES AT SURFACE:	COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective 4/15/04, Inland Production Company, as Contract Operator, will take over operations of the attached referenced wells. The previous operator was:

Wildrose Resources Corporation N9660
3121 Cherryridge Road
Englewood, Colorado 80110-6007

Effective 4/15/04, Inland Production Company, as Contract Operator, is responsible under the terms and conditions of the leases for operations conducted on the leased lands or a portion thereof under BLM Bond No. UT0056 issued by Hartford.

Attached is a list of wells included.

Previous Operator Signature: Title:

NAME (PLEASE PRINT) Marc MacAluso TITLE CEO, Wildrose Resources Corporation

SIGNATURE [signature] DATE 4/15/04

(This space for State use only)

RECEIVED
APR 26 2004
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached Exhibit

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: See Attached Exhibit

2. NAME OF OPERATOR: Inland Production Company N5160

9. API NUMBER:

3. ADDRESS OF OPERATOR: 1401 17th St. #1000 CITY Denver STATE Co ZIP 80202

PHONE NUMBER: (303) 893-0102

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

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Wildrose Resources Corporation
3121 Cherryridge Road
Englewood, Colorado 80110-6007

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Attached is a list of wells included.

Current Contract Operator Signature: Title:

NAME (PLEASE PRINT) Bill I. Pennington TITLE President, Inland Production Company

SIGNATURE Bill I. Pennington DATE 4/15/04

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

RECEIVED
APR 26 2004
DIV. OF OIL, GAS & MINING

EXHIBIT "A"
Attached to Sundry Notices

Wildrose Resources Corporation
and
Inland Production Company

UNIT	API NO	WELL NAME	COMP	ELEV	LOCATION	SEC	QTR/QTR	TWP	RNG	CO	LEASE	TYPE
N	4304731528	REX LAMB 34-1	WR	4932' GR	2116 FNL 2132 FEL	34	SWNE	040S	010E	UTA	FEE	OW
N	4304731692	REX LAMB 34-2	WR	4932' GR	2018 FNL 1068 FEL	34	SENE	040S	010E	UTA	FEE	OW
N	4301331914	HARBOURTOWN FED 21-33	WR	5129' GR	0513 FNL 1938 FWL	33	NENW	080S	170E	DU	U-71368	OW
N	4301331915	HARBOURTOWN FED 42-33	WR	5128' GR	1954 FNL 0851 FEL	33	SENE	080S	170E	DU	U-71368	OW
N	4301331916	HARBOURTOWN FED 23-34	WR	5088' GR	1943 FSL 2162 FWL	34	NESW	080S	170E	DU	U-71368	OW
N	4301331917	HARBOURTOWN FED 44-34	WR	5063' GL	0835 FSL 0500 FEL	34	SESE	080S	170E	DU	U-71368	OW
N	4304732080	FEDERAL #23-26	WR	4910' KB	2113 FSL 1844 FWL	26	NESW	080S	180E	UTA	U-36442	OW
N	4304732700	FEDERAL 24-26	WR	4913' GR	0660 FSL 1980 FWL	26	SESW	080S	180E	UTA	U-36442	OW
N	4304732720	FEDERAL 13-26	WR	4905' GR	2018 FSL 0832 FWL	26	NWSW	080S	180E	UTA	U-36442	OW
N	4304732731	FEDERAL 12-26	WR	4924' GR	2956 FSL 0470 FWL	26	SWNW	080S	180E	UTA	U-36442	GW
N	4304732847	FEDERAL 34-26	WR	4907' GR	0741 FSL 1957 FEL	26	SWSE	080S	180E	UTA	U-75532	OW
N	4304732732	FEDERAL 43-27	WR	4862' GR	1917 FSL 0559 FEL	27	NESE	080S	180E	UTA	U-36442	OW
N	4304732733	FEDERAL 14-28	WR	4902' GR	0660 FSL 0846 FWL	28	SWSW	080S	180E	UTA	U-51081	OW
N	4304732743	FEDERAL 13-28	WR	4955' GR	2007 FSL 0704 FWL	28	NWSW	080S	180E	UTA	U-36442	OW
N	4304731464	PARIETTE FED 10-29	WR	4890' GR	1843 FSL 2084 FEL	29	NWSE	080S	180E	UTA	U-51081	OW
N	4304731550	W PARIETTE FED 6-29	WR	4892' GR	1978 FNL 2141 FWL	29	SENW	080S	180E	UTA	U-36846	OW
N	4304732079	FEDERAL 44-29	WR	4993' KB	0660 FSL 0660 FEL	29	SESE	080S	180E	UTA	U-51081	OW
N	4304732701	FEDERAL 43-29	WR	4886' GR	1904 FSL 0710 FEL	29	NESE	080S	180E	UTA	U-51081	OW
N	4304732742	FEDERAL 34-29	WR	4917' GR	0712 FSL 1925 FEL	29	SWSE	080S	180E	UTA	U-51081	OW
N	4304732848	PARIETTE FED 32-29	WR	4870' GR	1942 FNL 1786 FEL	29	SWNE	080S	180E	UTA	U-36846	OW
N	4304731116	NGC ST 33-32	WR	4930' GR	1914 FSL 1911 FEL	32	NWSE	080S	180E	UTA	ML-22058	OW
N	4304732077	FEDERAL 12-34	WR	4845' KB	1571 FNL 0375 FWL	34	SWNW	080S	180E	UTA	U-51081	OW
N	4304732702	FEDERAL 42-35	WR	4815' GR	1955 FNL 0463 FEL	35	SENE	080S	180E	UTA	U-51081	OW
N	4304732721	FEDERAL 43-35	WR	4870' GR	2077 FSL 0696 FEL	35	NESE	080S	180E	UTA	U-49430	OW
N	4304731345	GULF STATE 36-13	WR	4831' GR	1850 FSL 0600 FWL	36	NWSW	080S	180E	UTA	ML-22057	OW
N	4304731350	GULF STATE 36-11	WR	4837' GR	0677 FNL 0796 FWL	36	NWNW	080S	180E	UTA	ML-22057	OW
N	4304731864	GULF STATE 36-12	WR	4882' GR	1778 FNL 0782 FWL	36	SWNW	080S	180E	UTA	ML-22057	OW
N	4304731692	GULF STATE 36-22	WR	4923' GR	1860 FNL 1980 FWL	36	SENW	080S	180E	UTA	ML-22057	OW
N	4304732580	UTD STATE 36-K	WR	4809' GR	2120 FSL 1945 FWL	36	NESW	080S	180E	UTA	ML-22057	OW
N	4304732581	UTD STATE 36-M	WR	4744' KB	0848 FSL 0648 FWL	36	SWSW	080S	180E	UTA	ML-22057	OW
N	4304731415	WILDROSE FEDERAL 31-1	WR	4871' GR	2051 FSL 0683 FWL	31	NWSW	080S	190E	UTA	U-30103	OW
N	4301330642	MONUMENT BUTTE 1-3	WR	5156' GR	1945 FSL 0816 FWL	03	NWSW	090S	170E	DU	U-44004	OW
N	4301330810	MONUMENT BUTTE 2-3	WR	5107' GR	1918 FNL 1979 FWL	03	SENW	090S	170E	DU	U-44004	OW
N	4301331760	PINEHURST FEDERAL 3-7	WR	5096' GR	2062 FNL 1999 FEL	03	SWNE	090S	170E	DU	61252	OW
N	4301331761	PINEHURST FEDERAL 3-8	WR	5030' GR	1980 FNL 0660 FEL	03	SENE	090S	170E	DU	61252	OW
N	4301331764	RIVIERA FEDERAL 3-11	WR	5123' GR	2050 FSL 2008 FWL	03	NESW	090S	170E	DU	U-44004	OW
N	4301332183	RIVIERA FED 3-9	WR	5030 GR	1922 FSL 0605 FEL	03	NESE	090S	170E	DU	U-44004	OW
N	4301332184	RIVIERA FED 3-10	WR	5108 GR	2100 FSL 2190 FEL	03	NWSE	090S	170E	DU	U-44004	OW
N	4301331023	FEDERAL 15-1-B	WR	5177' GR	0660 FNL 1983 FEL	15	NWNE	090S	170E	DU	U-44429	OW
N	4304732777	BIRKDALE FED 13-34	WR	5067' GR	1768 FSL 0615 FWL	34	NWSW	090S	180E	UTA	U-68618	OW

END OF EXHIBIT

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budged Bureau No. 1004-0135
Expires March 31 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED
APR 26 2004
By

1. Type of Well
[X] Oil Well [ ] Gas well [ ] Other

2. Name of Operator
INLAND PRODUCTION COMPANY

3. Address and Telephone No.
1401 17TH STREET, SUITE 1000, DENVER, CO 80202 (303)893-0102

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.
See Attached Exhibit

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

8. Well Name and No.
See Attached Exhibit

9. API Well No.
See Attached Exhibit

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Uintah Co., Utah

12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing repair	[ ] Water Shut-off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Change of Operator	[ ] Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Effective 4/15/04, Inland Production Company, as Contract Operator, will take over operations of the attached referenced wells. The previous operator was:

Wildrose Resources Corporation
3121 Cherryridge Road
Englewood. Colorado 80110-6007

Effective 4/15/04, Inland Production Company, as Contract Operator, is responsible under the terms and conditions of the leases for operations conducted on the leased lands or a portion thereof under BLM Bond No. UT0056 issued by Hartford.

I hereby certify that the foregoing is true and correct . (Current Contract Operator)

Signed Bill I. Pennington Title President, Inland Production Company Date 4/15/04

(This space of Federal or State office use.)

Approved by Kirk Fleetwood Title Petroleum Engineer Date 5/20/04

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
http://www.blm.gov/utah/vernal

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:
3162.3
UT08300

May 21, 2004

Bill I. Pennington
Inland Production Company
1401 17th Street, Suite 1000
Denver, Colorado 80202

Re: Well No. Pinehurst Fed. 3-8
SENE, Sec. 3, T9S, R17E
Duchesne County, Utah
Lease No. U-61252

Dear Mr. Pennington:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Inland Production Company is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT0056, for all operations conducted on the referenced well on the leased land.

Our records show that a right-of-way, UTU-73615, has been issued for the off lease portion of the road to the subject well. In order for Inland Production Company to obtain the Bureau of Land Management's approval for the use of this right-of-way, you must have this right-of-way assigned over to Inland Production Company. Please contact Cindy McKee at 435-781-4434 for instructions on how to complete the assignment of the right-of-way.

If you have any other questions concerning this matter, please contact Leslie Walker of this office at (435) 781-4497.

Sincerely,

Kirk Fleetwood
Petroleum Engineer

cc: UDOGM
Wildrose Resources Corp.

EXHIBIT "A"
Attached to Sundry Notices

Wildrose Resources Corporation
and
Inland Production Company

Unit	API	Well	Comp.	Elev.	Loc.	S	1/4 1/4	Twp	Rng	Co.	Lease	Type
N	4304731528	REX LAMB 34-1	WR	4932* GR	2116 FNL 2132 FEL	34	SWNE	040S	010E	UTA	FEE	OW
N	4304731692	REX LAMB 34-2	WR	4932* GR	2018 FNL 1068 FEL	34	SENE	040S	010E	UTA	FEE	OW
N	4301331914	HARBOURTOWN FED 21-33	WR	5129* GR	0513 FNL 1938 FWL	33	NENW	080S	170E	DU	U-71368	OW
N	4301331915	HARBOURTOWN FED 42-33	WR	5128* GR	1954 FNL 0851 FEL	33	SENE	080S	170E	DU	U-71368	OW
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N	4301331917	HARBOURTOWN FED 44-34	WR	5063* GL	0835 FSL 0500 FEL	34	SESE	080S	170E	DU	U-71368	OW
N	4304732080	FEDERAL #23-26	WR	4910* KB	2113 FSL 1844 FWL	26	NESW	080S	180E	UTA	U-36442	OW
N	4304732700	FEDERAL 24-26	WR	4913* GR	0660 FSL 1980 FWL	26	SESW	080S	180E	UTA	U-36442	OW
N	4304732720	FEDERAL 13-26	WR	4905* GR	2018 FSL 0832 FWL	26	NWSW	080S	180E	UTA	U-36442	OW
N	4304732731	FEDERAL 12-26	WR	4924* GR	2956 FSL 0470 FWL	26	SWNW	080S	180E	UTA	U-36442	GW
N	4304732847	FEDERAL 34-26	WR	4907* GR	0741 FSL 1957 FEL	26	SWSE	080S	180E	UTA	U-75532	OW
N	4304732732	FEDERAL 43-27	WR	4862* GR	1917 FSL 0559 FEL	27	NESE	080S	180E	UTA	U-36442	OW
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N	4304732701	FEDERAL 43-29	WR	4886* GR	1904 FSL 0710 FEL	29	NESE	080S	180E	UTA	U-51081	OW
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N	4301332183	RIVIERA FED 3-9	WR	5030 GR	1922 FSL 0605 FEL	03	NESE	090S	170E	DU	U-44004	OW
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N	4304732777	BIRKDALE FED 13-34	WR	5067* GR	1768 FSL 0615 FWL	34	NWSW	090S	180E	UTA	U-68618	OW

END OF EXHIBIT

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
http://www.blm.gov

TAKE PRIDE IN AMERICA

IN REPLY REFER TO:
3106
(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure
1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare

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Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE – The name of the corporation is Newfield Production Company."

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

RECEIVED

JAN 2 / 2005

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM -FORM 6

INLAND
OPERATOR: ~~NEWFIELD PRODUCTION COMPANY~~
ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. ~~N2695~~ N5160

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
C	01515	12391	43-013-30642	Monument Butte 1-3	NW/SW	3	9S	17E	Duchesne		12/1/2004
WELL 1 COMMENTS: GRRV											1/31/05
C	01521	12391	43-013-30810	Monument Butte 2-3	SE/NW	3	9S	17E	Duchesne		12/1/2004
WELL 2 COMMENTS: GRRV											1/31/05
C	12107	12391	43-013-31761	Pinehurst Federal 3-8	SE/NE	3	9S	17E	Duchesne		12/1/2004
WELL 3 COMMENTS: GRRV											1/31/05
C	12108	12391	43-013-31760	Pinehurst Federal 3-7	SW/NE	3	9S	17E	Duchesne		12/1/2004
WELL 4 COMMENTS: GRRV											1/31/05
C	12118	12391	43-013-31764	Riviera Federal 3-11	NE/SW	3	9S	17E	Duchesne		12/1/2004
WELL 5 COMMENTS: GRRV											1/31/05

ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Kebbie S. Jones
Signature

Kebbie S. Jones

Production Clerk
Title

January 27, 2005
Date

PAGE 02 INLAND 4356463031 01/27/2005 14:19

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

Change of Operator (Well Sold) | Designation of Agent/Operator

X Operator Name Change | **Merger**

The operator of the well(s) listed below has changed, effective: **9/1/2004**

FROM: (Old Operator):	**TO:** (New Operator):
N5160-Inland Production Company	N2695-Newfield Production Company
Route 3 Box 3630	Route 3 Box 3630
Myton, UT 84052	Myton, UT 84052
Phone: 1-(435) 646-3721	Phone: 1-(435) 646-3721

CA No. **Unit:**

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
PARIETTE DRAW 9-22	22	080S	170E	4301331813	12300	Federal	D	PA
PARIETTE FED 1-22-8-17	22	080S	170E	4301331827	99998	Federal	NA	LA
MON FED 24-17-9-16	17	090S	160E	4301331682	11994	Federal	OW	P
MON FED 44-17-9-16	17	090S	160E	4301331683	99998	Federal	D	PA
MON FED 22-20-9-16	20	090S	160E	4301331681	11961	Federal	OW	S
MON FED 31-21-9-16Y	21	090S	160E	4301331726	12080	Federal	OW	S
MON FED 11-22-9-16Y	22	090S	160E	4301331647	11986	Federal	OW	S
PINEHURST FEDERAL 3-7	03	090S	170E	4301331760	12391	Federal	OW	P
PINEHURST FEDERAL 3-8	03	090S	170E	4301331761	12391	Federal	OW	P
RIVIERA FEDERAL 3-11	03	090S	170E	4301331764	12391	Federal	OW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/2004
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/2004
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 2/23/2005
4. Is the new operator registered in the State of Utah: YES Business Number: 755627-0143
5. If **NO**, the operator was contacted contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE

6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919

2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - **received 2/23/05**

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
999 18TH STREET - SUITE 200
DENVER, CO 80202-2466
Phone 800-227-8917
http://www.epa.gov/region08

MAY 18 2006

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

RECEIVED
MAY 22 2006
DIV. OF OIL, GAS & MINING

David Gerbig
Operations Engineer
Newfield Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

43-013-31761
9S 17E 3

RE: Additional Well to Castle Draw Area Permit
UIC Permit No. UT20776-00000
Well ID: UT20776-06975
Pinehurst Federal No. 3-8-9-17
Duchesne County, Utah

Dear Mr. Gerbig:

The Newfield Production Company (Newfield) request to convert the Pinehurst Federal No. 3-8-9-17 to a Green River Formation enhanced recovery injection well is hereby authorized by the Environmental Protection Agency (EPA) under the terms and conditions of the Authorization For Additional Well and the Area Permit.

The addition of the Pinehurst Federal No. 3-8-9-17, within the exterior boundary of the Uintah & Ouray Indian Reservation, is being made under the authority of 40 Code of Federal Regulations (CFR) §144.33 (c) and terms of the Castle Draw Area Permit, Underground Injection Control (UIC) Area Permit No. UT20776-00000. Unless specifically mentioned in the enclosed Authorization For Additional Well, the Pinehurst Federal No. 3-8-9-17 is subject to all terms and conditions of the UIC Area Permit UT20776-00000 as modified.

Please be aware that Newfield does not have authorization to begin injection operations into the well until all Prior to Commencing Injection requirements have been submitted and evaluated by the EPA, and Newfield has received written authorization from the Director to begin injection. Please note that the permit limits injection to the gross interval within the Green River Formation between the depths of 3765 feet and the estimated top of the Wasatch Formation at 6085 feet.

Prior to receiving authorization to inject, the EPA requires that Newfield submit for review and approval the following: (1) the results of a **Part I (Internal) mechanical integrity test (MIT)**, (2) a **pore pressure** calculation of the injection interval, and (3) a completed **EPA Form No. 7520-12** (Well Rework Record) with a new schematic diagram.

Lacking a Cement Bond Log across the Confining Zone, the EPA requires the operator to conduct a Part II (External) Mechanical Integrity Test within a 180-day period following commencement of injection.

The initial Maximum Allowable Injection Pressure (MAIP) for the Pinehurst Federal No. 3-8-9-17 was determined to be **1500 psig.** UIC Area Permit UT20776-00000 also provides the opportunity for the permittee to request a change in the MAIP based upon results of a Step-Rate Test that demonstrates that the formation breakdown pressure will not be exceeded.

If you have any questions, please call Mr. Dan Jackson at (303) 312-6155 or 1-800-227-8917 (Ext. 6155). Please submit the required data to **ATTENTION: DAN JACKSON**, at the letterhead address, citing **MAIL CODE: 8P-W-GW** very prominently.

Sincerely,

for DHThomas

Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

encl: Authorization For Conversion of An Additional Well
EPA Form No. 7520-12 (Well Rework Record)
Schematic Diagram: Pinehurst Federal No. 3-8-9-17
Ground Water Section Guidance No. 39 (Part I Internal MIT)
Ground Water Section Guidance No. 37 (Part II External MIT)

cc: without enclosures
Maxine Natchees
Acting Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe

Chester Mills
Superintendent
BIA - Uintah & Ouray Indian Agency

cc: with enclosures

Lynn Becker
Director
Energy & Minerals Dept.
Ute Indian Tribe

S. Elaine Willie
Environmental Coordinator
Ute Indian Tribe

Michael Guinn
Vice President - Operations
Newfield Production Company
Myton, UT 84052

Gilbert Hunt
Technical Services Manager
Utah Division of Oil, Gas, and Mining

Fluid Mineral Engineering Office
U.S. Bureau of Land Management
Vernal, Utah

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
999 18TH STREET - SUITE 200
DENVER, CO 80202-2466
Phone 800-227-8917
http://www.epa.gov/region08

AUTHORIZATION FOR ADDITIONAL WELL

UIC Area Permit No: UT20776-00000

The Final Underground Injection Control (UIC) Castle Draw Area Permit No. UT20776-00000, effective November 29, 1995, authorized enhanced recovery injection into the Garden Gulch and Douglas Creek Members of the Green River Formation. A Major Permit Modification No. 1, effective September 9, 2003, authorized injection for the purpose of enhanced oil recovery into multiple lenticular sand and carbonate units which are distributed throughout the Garden Gulch-Douglas Creek- Basal Carbonate Members of the Green River Formation. On August 29, 2005, the permittee provided notice to the Director concerning the following additional enhanced recovery injection well:

Well Name:	**Pinehurst Federal No. 3-8-9-17**
EPA Well ID Number:	**UT20776-06975**
Location:	1980 ft FNL & 660 ft FEL SE NE Sec. 3 - T9S - R17E Duchesne County, Utah.

Pursuant to 40 Code of Federal Regulations (CFR) §144.33, Castle Draw Area UIC Permit No. UT20776-00000 authorizes the permittee to construct and operate, convert, or plug and abandon additional enhanced recovery injection wells within the Area Permit. This well was determined to satisfy additional well criteria required by the Permit.

This well is subject to all provisions of UIC Area Permit No. UT20776-00000, as modified and as specified in the Well Specific Requirements detailed below. This Authorization shall expire one year after the Effective Date unless the permittee has converted the well to injection or submits a written request to extend this Authorization prior to the expiration date.

This Authorization is effective upon signature.

Date: 5/17/06

for DH Thomas

Stephen S. Tuber
*Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director throughout the Permit and Authorization*

WELL-SPECIFIC REQUIREMENTS

Well Name: **Pinehurst Federal No. 3-8-9-17**
EPA Well ID Number: **UT20776-06975**

Prior to commencing injection operations, the permittee shall submit the following information and receive written Authority to Inject from the Director: (II. C. Condition 2).

1. a successful Part I (Internal) Mechanical Integrity Test (MIT);
2. a pore pressure calculation of the proposed injection zone;
3. completed Well Rework Record (EPA Form No. 7520-12) and a schematic diagram.

Approved Injection Zone: **(II. C. Condition C. 4)**

Injection is approved between the top of the Green River Formation Garden Gulch Member (3765 feet) and the top of the Wasatch Formation (Est. 6085 feet).

The Permittee has cited current perforations proposed for enhanced recovery injection, i.e., gross 5083 feet - 5601 feet. The permittee is also authorized to perforate any additional intervals for enhanced recovery injection between the top of the Garden Gulch Member and the top of the Wasatch Formation during well conversion.

Determination of a Fracture Gradient: **((II. C. Condition 5. b. 1.).**

"Using sand fracture treatment data, the EPA will calculate the Maximum Allowable Injection Pressure (MAIP) for each treated (sand-frac) interval using the instantaneous shut-in pressure (ISIP) from that interval. The minimum MAIP calculated shall be the initial maximum allowable injection pressure limit for that well."

Of the two (2) sand/frac treatments conducted on the Pinehurst Federal No. 3-8-9-17 the minimum calculated fracture gradient (FG) is 0.73 psi/ft; a value in accord with FGs derived from Step-Rate Tests (SRT) in contiguous sections.

Maximum Authorized Injection Pressure (MAIP): **(II. C. Condition 5).**

The initial MAIP is **1500 psig,** based on the following calculation and a cited "top perforation":

MAIP = [FG - (0.433)(SG)] D, where
FG = 0.73 psi/ft
SG = 1.005
D = 5083 ft (Top perforation depth)

MAIP = 1497 psig, but increased to **1500 psig**.

UIC Area Permit No. UT20776-00000 also provides the opportunity for the permittee to request a change of the MAIP based upon results of a Step-Rate Test that demonstrates the formation breakdown pressure will not be exceeded.

Well Construction and Corrective Action: **(II. A).**

Corrective Action is required. The permittee shall be required to conduct a Part II (External) Mechanical Integrity Test (MIT) within 180-days following commencement of injection. There is no Cement Bond Log over the 3748 - 3765 foot Confining Interval. The submitted Cement Log omits the interval 380 feet to 4000 feet.

Tubing and Packer: **(II. A. Condition 3).**

2-7/8" or similar size injection tubing is approved; the packer shall be set at a depth no more than 100 ft above the top perforation.

Corrective Action for Wells in Area of Review: *No Corrective Action is required.* The following Green River oil wells within or proximate to a one-quarter (1/4) mile radius around the Pinehurst Federal No. 3-8-9-17 were evaluated to determine if any corrective action is necessary to prevent fluid movement into USDWs. Other than a weekly inspection of each location for surface injectate leakage, no corrective action is required.

Pinehurst Federal 3-7	● SW NE Section 3 - T9S - R17E
Greater Boundary Federal 9-3-9-17	● NE SE Section 3 - T9S - R17E
Monument State 12-2-9-17	● SW NW Section 2 -T9S - T17E

Demonstration of Mechanical Integrity: **(II. C. Condition 3).**

A successful demonstration of **Part I Internal** Mechanical Integrity using a standard Casing-Tubing pressure test is required prior to injection and each at least once every five years thereafter.

A successful demonstration of **Part II External** Mechanical Integrity is required within 180-days after commencement of injection and at least once every five years thereafter.

Demonstration of Financial Responsibility: **(II. F. Condition 1).**

The applicant has demonstrated financial responsibility via an Annual Statement that has been reviewed and approved by the EPA. The Plugging and Abandonment cost has been estimated by the permittee to be $32,500.

(II. E. Condition 2).

Plugging and Abandonment:

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluids into or between USDWs. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

PLUG NO. 1: Set a cast iron bridge plug (CIBP) at 4988 feet. Place at least fifty (50) feet of cement plug on top of the CIBP.

PLUG NO. 2: Set a cement plug inside of the 5-1/2" casing from 2214 feet to 2414 feet across the top of the Green River Formation.

PLUG NO. 3: Set a cement plug inside of the 5-1/2" casing from 2000 feet to 2200 feet.

PLUG NO. 4: Circulate Class "G" cement down the 5-1/2 inch casing to 343 feet and up the 5-1/2 inch X 8-5/8 inch casings annulus to the surface.

Cut off surface and 5-1/2" casing at least 4 ft below ground level. Set P&A marker. Submit Sundry Notices and all necessary data as required by the EPA and other regulatory agencies.

Reporting of Noncompliance: **(III. E.)**

(a) Anticipated Noncompliance. The operator shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

(b) Compliance Schedules. Reports of compliance or noncompliance with, or any progress on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than thirty (30) days following each schedule date.

(c) Written Notice of any noncompliance which may endanger health or the environment shall be reported to the Director within five (5) days of the time the operator becomes aware of the noncompliance. The written notice shall contain a description of the noncompliance and its cause; the period of noncompliance including dates and times; if the noncompliance has not been corrected the anticipated time it is expected to continue; and steps taken or planned to prevent or reduce recurrence of the noncompliance.

Twenty-Four Hour Noncompliance Reporting: **(II. E.).**

The operator shall report to the Director any noncompliance which may endanger health or environment. Information shall be provided, either orally or by leaving a message, within twenty-four (24) hours from the time the operator becomes aware of the circumstances by telephoning 1.800.227-8917 and asking for the EPA Region 8 UIC Program Compliance and Enforcement Director, or by contacting the Region 8 Emergency Operations Center at 303.293.1788 if calling from outside EPA Region 8. The following information shall be included in the verbal report:

(a) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW.

(b) Any noncompliance with a Permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

Oil Spill and Chemical Release Reporting: **(II. E.).**

The operator shall comply with all other reporting requirements related to oil spills and chemical releases or other potential impacts to human health or the environment by contacting the **National Response Center (NRC) 1.800.424.8802 or 202.267.2675,** or through the **NRC website at http://www.nrc.uscg.mil/index.htm.**

Other Noncompliance: **(II. E.).**

The operator shall report all other instances of noncompliance not otherwise reported at the time monitoring reports are submitted.

Other Information: **(II. E.)**

Where the operator becomes aware that he failed to submit any relevant facts in the Permit application, or submitted incorrect information in a Permit application, or in any report to the Director, the operator shall submit such correct facts or information within two (2) weeks of the time such information became known to him.

WELL-SPECIFIC CONSIDERATIONS

Well Name: **Pinehurst Federal No. 3-8-9-17**
EPA Well ID Number: **UT20776-06975**

Current Status: The Pinehurst Federal No. 3-8-9-17 is a producing Douglas Creek Member oil well currently waiting on EPA authorization to complete/convert to a Class II Green River Formation enhanced recovery injection well.

Underground Sources of Drinking Water (USDWs): USDWs in the Castle Draw Area Permit generally occur within the Uinta Formation. According to the *"Base of Moderately Saline Ground Water in the Uinta Basin, Utah, State of Utah Technical Publication No. 92,"* the base of moderately saline ground water may be found at approximately 200 feet below ground surface.

http://NRWRT1.NR.STATE.UT.US: (Water Rights...Queries...POD). Within the one-quarter (1/4) mile Area-of-Review (AOR) around the Pinehurst Federal No. 3-8-9-17 there are no reservoirs, streams, springs, domestic or agricultural water wells.

Composition of Injectate and Formation Water: (Total Dissolved Solids [TDS])

- TDS of Douglas Creek Green River Formation water: 23,025 mg/l (Analysis: 7/22/05).
- TDS of Johnson Water District Reservoir: 674 mg/l (Analysis: 1/10/05)
- TDS blended injectate: 12,427 mg/l. Blended at pump facility with Source Water and Castle Draw Unit produced water (Analyzed July 27, 2005).

Confining Zone:

The Confining Zone is seventeen (17) feet of shale between the depths of 3748 feet and 3765 feet (KB) which directly overlies the Garden Gulch Member of the Green River Formation. There is no CBL available to establish the presence of adequate annulus bond within this interval.

Injection Zone: **(II. C. 4.)**

The Injection Zone is an approximate 2320-foot section of multiple lenticular sand units interbedded with shale, marlstone and limestone from the top of the Garden Gulch Member at 3765 ft to the top of the Wasatch Formation (Estimated 6085 feet). All Formation and Formation Member tops are based on correlation to the Federal No.1-26-8-17 Type Log (UT20702-04671).

Well Construction: **(II. A. 1.).**

There is no CBL across the Confining Zone to show annulus cement bond.

Surface Casing: 8-5/8" casing is set at 293 (KB) in a 12-1/4" hole, using 200 sacks of cement which was circulated to the surface.

Longstring: 5-1/2" casing is set at 5745 feet (KB) in a 7-7/8" hole and secured with 550 sacks of cement. Calculated top of cement (TOC) by EPA is 2185 feet from the surface.

Perforations: Gross Perforations: 5083 feet to 5601 feet.

Step-Rate Test (SRT): **(II. C. 2. d.).**

A Step-Rate Test may be required to confirm that the initial maximum authorized injection pressure (MAIP), based on sand/frac treatments, is appropriate to ensure that pressure during injection will not initiate new fractures or propagate existing fractures in the confining zone.

Wells in Area of Review (AOR):

Construction and cementing records, including cement bond logs (CBL) for three (3) wells in the 1/4 mile AOR that logged the confining zone were reviewed. **No well** had 80% bond index cement bond across the Confining Zone.

The permittee shall observe the surface location of the all wells cited below for surface leakage on a weekly basis. Should such injectate contamination be observed at the surface, the permittee shall immediately suspend injection into the Pinehurst Federal No.3-8-9-17. The Pinehurst Federal No. 3-8-9-17 will stay suspended until the noncompliance has been resolved. Renewed injection shall be authorized by letter from the Director.

Pinehurst Federal 3-7	● SW NE Section 3 - T9S - R17E
Greater Boundary Federal 9-3-9-17	● NE SE Section 3 - T9S - R17E
Monument State 12-2-9-17	● SW NW Section 2 -T9S - T17E

Form Approved. OMB No. 2040-0042. Expires 6-30-98

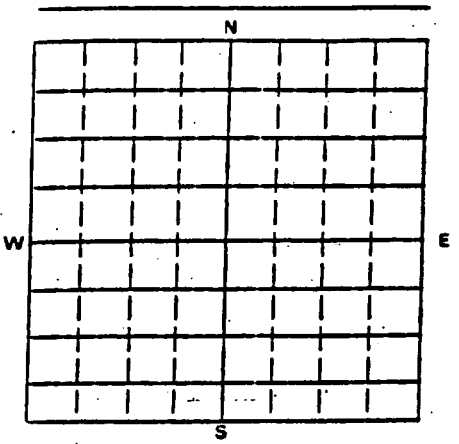
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, DC 20460

EPA

WELL REWORK RECORD

NAME AND ADDRESS OF PERMITTEE	NAME AND ADDRESS OF CONTRACTOR

LOCATE WELL AND OUTLINE UNIT ON SECTION PLAT — 640 ACRES



STATE	COUNTY	PERMIT NUMBER

SURFACE LOCATION DESCRIPTION
___ 1/4 of ___ 1/4 of ___ 1/4 of ___ 1/4 of Section ___ Township ___ Range ___

LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT

Surface Location ____ ft. from (N/S) ____ Line of quarter section

and ____ ft. from (E/W) ____ Line of quarter section

WELL ACTIVITY		TYPE OF PERMIT
☐ Brine Disposal ☐ Enhanced Recovery ☐ Hydrocarbon Storage	Total Depth Before Rework	☐ Individual ☐ Area Number of Wells ____
	Total Depth After Rework	
Lease Name	Date Rework Commenced	Well Number
	Date Rework Completed	

WELL CASING RECORD — BEFORE REWORK

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

WELL CASING RECORD — AFTER REWORK *(Indicate Additions and Changes Only)*

Casing		Cement		Perforations		Acid or Fracture Treatment Record
Size	Depth	Sacks	Type	From	To	

DESCRIBE REWORK OPERATIONS IN DETAIL USE ADDITIONAL SHEETS IF NECESSARY	WIRE LINE LOGS, LIST EACH TYPE	
	Log Types	Logged Intervals

CERTIFICATION

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32).

NAME AND OFFICIAL TITLE *(Please type or print)*	SIGNATURE	DATE SIGNED

Pinehurst Federal #3-8

Spud Date: 4/14/97
Put on Production: 5/20/97
GL: 5030' KB: 5040'

Initial Production: 90 BOPD, 40 MCFPD, 10 BWPD

Proposed Injection Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"
GRADE: J-55
WEIGHT: 24#
LENGTH: 7 jts. (283')
DEPTH LANDED: 293' Base USDW's < 200'
HOLE SIZE: 12-1/4"
CEMENT DATA: 200 sks Class "G" cement, est. ? bbls cement to surface

PRODUCTION CASING

CSG SIZE: 5-1/2"
GRADE:
WEIGHT: 17#
LENGTH: 133 jts
DEPTH LANDED: 5745'
HOLE SIZE: 7 7/8"
CEMENT DATA: 190 sks 65/35 Poz, 360 sks 50-50 Poz mix
CEMENT TOP AT: 70'

Top CBL 4000'

TUBING

SIZE/GRADE/WT.: 2-7/8"
NO. OF JOINTS: 15 jts
TUBING ANCHOR: @ 4966'
NO. OF JOINTS: 19 jts
SEATING NIPPLE: @ 5582'
NO. OF JOINTS: 1 jts
TOTAL STRING LENGTH: EOT @ 5619'

FRAC JOB

5/04/97	5589'-5601'	Frac zone with 88,476# 20/40 sand in 482 bbls fluid. Treated @ avg press of 1640 psi w/avg rate of ? BPM. ISIP 1618 psi.
5/14/97	5083'-5111'	Frac zone with 100,700# 20/40 sand in 543 bbls fluid. Treated @ avg press of 2180 psi w/avg rate of ? BPM. ISIP 2273 psi.
5/26/00		Pump change.

293'
2185' EPA Calculated TOC
2314' Green River
3748'-3765' Confining Zone
3765' Garden Gulch
4728' Douglas Creek

Packer @ 5048'
5083'-5097'
5105'-5111'
5589'-5601'
PBTD @ 5698'
TD @ 5750'

TD in Douglas Creek
Est. Basal Carbonate - 5960'
Est. Wasatch 6085'

PERFORATION RECORD

5/02/97	5589'-5601'	4 SPF	48 holes
5/12/97	5105'-5111'	4 SPF	24 holes
5/12/97	5083'-5097'	4 SPF	56 holes

NEWFIELD

Pinehurst Federal #3-8

1980' FNL & 660' FEL

SE/NE Section 3-T9S-R17E

Duchesne Co, Utah

API #43-013-31761 Lease # UTU-61252

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
999 18th STREET - SUITE 300
DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 37
Demonstrating Part II (external) Mechanical Integrity for a Class II injection well permit.

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

During the review for a Class II injection well permit, consideration must be given to the mechanical integrity (MI) of the well. MI demonstrates that the well is in sound condition and that the well is constructed in a manner that prevents injected fluids from entering any formation other than the authorized injection formation.

A demonstration of MI is a two part process:

PART I - **INTERNAL MECHANICAL INTEGRITY** is an assurance that there are no significant leaks in the casing/tubing/packer system.

PART II - **EXTERNAL MECHANICAL INTEGRITY** demonstrates that after fluid is injected into the formation, the injected fluids will not migrate out of the authorized injection interval through vertical channels adjacent to the wellbore.

A Class II injection well may demonstrate Part II MI by showing that injected fluids remain within the authorized injection interval. This may be accomplished as follows:

1) Cement bond log showing 80% bond through the an appropriate interval (Section Guidance 34),

2) Radioactive tracer survey conducted according to a EPA-approved procedure, or

3) Temperature survey conducted according to a EPA-approved procedure (Section Guidance 38).

For each test option above, the operator of the injection well should submit a plan for conducting the test. The plan will then be approved (or modified and approved) by EPA. EPA's pre-approval of the testing method will assure the operator that the

test is conducted consistent with current EPA guidance, and that the test will provide meaningful results.

Part II MI may be demonstrated either before or after issuing the Final Permit. However, if Part II is to be demonstrated after the Final Permit is issued, a provision in the permit will require the demonstration of Part II MI. The well will also be required to pass Part II MI prior to granting authorization to inject.

Radioactive tracer surveys and temperature surveys require that the well be allowed to inject fluids as part of the procedure. In these cases, a well that has shown no other demonstration of Part II MI will be allowed to inject only that volume of fluid that is necessary to conduct the appropriate test.

After the results of the test proves that the well has passed Part II MI, the well will be given authorization to begin full injection operations.

If any of the tests show a lack of Part II MI, the well will be repaired and retested, or plugged (See Headquarters Guidance #76).

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____

Test conducted by: _____

Others present: _____

Well Name:_____ Type: ER SWD Status: AC TA UC

Field:_____

Location:_____ Sec:____ T____N / S R____E / W County:_____State:____

Operator:_____

Last MIT: ____/____/____ Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? [ ] Yes [ ] No

Initial test for permit? [ ] Yes [ ] No

Test after well rework? [ ] Yes [ ] No

Well injecting during test? [ ] Yes [ ] No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	psig	psig	psig
End of test pressure	psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	psig	psig	psig
5 minutes	psig	psig	psig
10 minutes	psig	psig	psig
15 minutes	psig	psig	psig
20 minutes	psig	psig	psig
25 minutes	psig	psig	psig
30 minutes	psig	psig	psig
minutes	psig	psig	psig
minutes	psig	psig	psig
RESULT	[ ] Pass [ ]Fail	[ ] Pass [ ]Fail	[ ] Pass [ ]Fail

Does the annulus pressure build back up after the test ? [ ] Yes [ ] No

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

SUBJECT: GROUND WATER SECTION GUIDANCE NO. 39
Pressure testing injection wells for Part I (internal) Mechanical Integrity

FROM: Tom Pike, Chief
UIC Direct Implementation Section

TO: All Section Staff
Montana Operations Office

Introduction

The Underground Injection Control (UIC) regulations require that an injection well have mechanical integrity at all times (40 CFR 144.28 (f)(2) and 40 CFR 144.51 (q)(1)). A well has mechanical integrity (40 CFR 146.8) if:

(1) There is no significant leak in the tubing, casing or packer; and

(2) There is no significant fluid movement into an underground source of drinking water (USDW) through vertical channels adjacent to the injection wellbore.

Definition: Mechanical Integrity Pressure Test for Part I. A pressure test used to determine the integrity of all the downhole components of an injection well, usually tubing, casing and packer. It is also used to test tubing cemented in the hole by using a tubing plug or retrievable packer. Pressure tests must be run at least once every five years. **If for any reason the tubing/packer is pulled, the injection well is required to pass another mechanical integrity test of the tubing casing and packer prior to recommencing injection regardless of when the last test was conducted. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on either the attached form or an equivalent form containing the necessary information. A pressure recording chart documenting the actual annulus test pressures must be attached to the form.**

This guidance addresses making a determination of Part I of Mechanical Integrity (no leaks in the tubing, casing or packer). The Region's policy is: 1) to determine if there are significant leaks in the tubing, casing or packer; 2) to assure that the casing can withstand pressure similar to that which

would be applied if the tubing or packer fails; 3) to make the Region's test procedure consistent with the procedures utilized by other Region VIII Primacy programs; and 4) to provide a procedure which can be easily administered and is applicable to all class I and II wells. Although there are several methods allowed for determining mechanical integrity, the principal method involves running a pressure test of the tubing/casing annulus. Region VIII's procedure for running a pressure test is intended to aid UIC field inspectors who witness pressure tests for the purpose of demonstrating that a well has Part I of Mechanical Integrity. The guidance is also intended as a means of informing operators of the procedures required for conducting the test in the absence of an EPA inspector.

Pressure Test Description

Test Frequency

The mechanical integrity of an injection well must be maintained at all times. Mechanical integrity pressure tests are required at least every five (5) years. **If for any reason the tubing/packer is pulled, however, the injection well is required to pass another mechanical integrity test prior to recommencing injection regardless of when the last test was conducted. The Regional UIC program must be notified of the workover and the proposed date of the pressure test. The well's test cycle would then start from the date of the new test if the well passes the test and documentation is adequate.** Tests may be required on a more frequent basis depending on the nature of the injectate and the construction of the well (see Section guidance on MITs for wells with cemented tubing and regulations for Class I wells).

Region VIII's criteria for well testing frequency is as follows:

1. Class I hazardous waste injection wells; initially [40 CFR 146.68(d)(1)] and annually thereafter;

2. Class I non-hazardous waste injection wells; initially and every two (2) years thereafter, except for old permits (such as the disposal wells at carbon dioxide extraction plants which require a test at least every five years);

3. Class II wells with tubing, casing and packer; initially and at least every five (5) years thereafter;

4. Class II wells with tubing cemented in the hole; initially and every one (1) or two (2) years thereafter

depending on well specific conditions (See Region VIII UIC Section Guidance #36);

5. Class II wells which have been temporarily abandoned (TAd) must be pressure tested after being shut-in for two years; and

6. Class III uranium extraction wells; initially.

Test Pressure

To assure that the test pressure will detect significant leaks and that the casing is subjected to pressure similar to that which would be applied if the tubing or packer fails, the tubing/casing annulus should be tested at a pressure equal to the maximum allowed injection pressure or 1000 psig whichever is less. The annular test pressure must, however, have a difference of at least 200 psig either greater or less than the injection tubing pressure. Wells which inject at pressures of less than 300 psig must test at a minimum pressure of 300 psig, and the pressure difference between the annulus and the injection tubing must be at least 200 psi.

Test Criteria

1. The duration of the pressure test is 30 minutes.

2. Both the annulus and tubing pressures should be monitored and recorded every five (5) minutes.

3. If there is a pressure change of 10 percent or more from the initial test pressure during the 30 minute duration, the well has failed to demonstrate mechanical integrity and should be shut-in until it is repaired or plugged.

4. A pressure change of 10 percent or more is considered significant. If there is no significant pressure change in 30 minutes from the time that the pressure source is disconnected from the annulus, the test may be completed as passed.

Recordkeeping and Reporting

The test results must be recorded on the attached form. The annulus pressure should be recorded at five (5) minute intervals. Tests run by operators in the absence of an EPA inspector must be conducted according to these procedures and recorded on the attached form or an equivalent form and a pressure recording

chart documenting the actual annulus test pressures must be attached to the submittal. The tubing pressure at the beginning and end of each test must be recorded. The volume of the annulus fluid bled back at the surface after the test should be measured and recorded on the form. This can be done by bleeding the annulus pressure off and discharging the associated fluid into a five gallon container. The volume information can be used to verify the approximate location of the packer.

Procedures for Pressure Test

1. Scheduling the test should be done at least two (2) weeks in advance.

2. Information on the well completion (location of the packer, location of perforations, previous cement work on the casing, size of casing and tubing, etc.) and the results of the previous MIT test should be reviewed by the field inspector in advance of the test. Regional UIC Guidance #35 should also be reviewed. Information relating to the previous MIT and any well workovers should be reviewed and taken into the field for verification purposes.

3. All Class I wells and Class II SWD wells should be shut-in prior to the test. A 12 to 24-hour shut-in is preferable to assure that the temperature of the fluid in the wellbore is stable.

4. Class II enhanced recovery wells may be operating during the test, but it is recommended that the well be shut-in if possible.

5. The operator should fill the casing/tubing annulus with inhibited fluid at least 24 hours in advance, if possible. Filling the annulus should be undertaken through one valve with the second valve open to allow air to escape. After the operator has filled the annulus, a check should be made to assure that the annulus will remain full. If the annulus can not maintain a full column of fluid, the operator should notify the Director and begin a rework. The operator should measure and report the volume of fluid added to the annulus. If not already the case, the casing/tubing valves should be closed, at least, 24 hours prior to the pressure test.

Following steps are at the well:

6. Read tubing pressure and record on the form. If the

well is shut-in, the reported information on the actual maximum operating pressure should be used to determine test pressures.

7. Read pressure on the casing/tubing annulus and record value on the form. If there is pressure on the annulus, it should be bled off prior to the test. If the pressure will not bleed-off, the guidance on well failures (Region VIII UIC Section Guidance #35) should be followed.

8. Ask the operator for the date of the last workover and the volume of fluid added to the annulus prior to this test and record information on the form.

9. Hook-up well to pressure source and apply pressure until test value is reached.

10. Immediately disconnect pressure source and start test time (If there has been a significant drop in pressure during the process of disconnection, the test may have to be restarted). The pressure gages used to monitor injection tubing pressure and annulus pressure should have a pressure range which will allow the test pressure to be near the mid-range of the gage. Additionally, the gage must be of sufficient accuracy and scale to allow an accurate reading of a 10 percent change to be read. For instance, a test pressure of 600 psi should be monitored with a 0 to 1000 psi gage. The scale should be incremented in 20 psi increments.

11. Record tubing and annulus pressure values every five (5) minutes.

12. At the end of the test, record the final tubing pressure.

13. If the test fails, check the valves, bull plugs and casing head close up for possible leaks. The well should be retested.

14. If the second test indicates a well failure, the Region should be informed of the failure within 24 hours by the operator, and the well should be shut-in within 48 hours per Headquarters guidance #76. A follow-up letter should be prepared by the operator which outlines the cause of the MIT failure and proposes a potential course of action. This report should be submitted to EPA within five days.

15. Bleed off well into a bucket, if possible, to obtain a volume estimate. This should be compared to the calculated value obtained using the casing/tubing annulus volume and fluid compressibility values.

16. Return to office and prepare follow-up.

Alternative Test Option

While it is expected that the test procedure outlined above will be applicable to most wells, the potential does exist that unique circumstances may exist for a given well that precludes or makes unsafe the application of this test procedure. In the event that these exceptional or extraordinary conditions are encountered, the operator has the option to propose an alternative test or monitoring procedures. The request must be submitted by the operator in writing and must be approved in writing by the UIC-Implementation Section Chief or equivalent level of management.

Attachment

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program, UIC Direct Implementation Program 8P-W-GW
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ____/____/____

Test conducted by: _____

Others present: _____

Well Name:_____ Type: ER SWD Status: AC TA UC

Field:_____

Location:_____ Sec:____ T____N / S R____E / W County:_____State:___

Operator:_____

Last MIT: ____/____/____ Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? [ ] Yes [ ] No

Initial test for permit? [ ] Yes [ ] No

Test after well rework? [ ] Yes [ ] No

Well injecting during test? [ ] Yes [ ] No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: _____ psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	psig	psig	psig
End of test pressure	psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	psig	psig	psig
5 minutes	psig	psig	psig
10 minutes	psig	psig	psig
15 minutes	psig	psig	psig
20 minutes	psig	psig	psig
25 minutes	psig	psig	psig
30 minutes	psig	psig	psig
minutes	psig	psig	psig
minutes	psig	psig	psig
RESULT	[ ] Pass [ ]Fail	[ ] Pass [ ]Fail	[ ] Pass [ ]Fail

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: GREATER BOUNDARY II
8. WELL NAME and NUMBER: PINEHURST FEDERAL 3-8
9. API NUMBER: 4301331761
10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1980 FNL 660 FEL COUNTY: DUCHESNE
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 3, T9S, R17E STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARITLY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[ ] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLAIR
[X] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of Work Completion:	[X] CHANGE WELL STATUS	[ ] PRODUCTION (START/STOP)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER: -
12/20/2006	[X] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The subject well has been converted from a producing oil well to an injection well on 12/20/06. One new interval was added, the CP1 sds 5628'-5637'4 JSPF, 36 shots. On 11/28/06 Dan Jackson with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 12/21/06. On 12/21/06 the casing was pressured up to 1260 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 100 psig during the test. There was not an EPA representative available to witness the test.
EPA# UT 20776-06974 API# 43-013-31761

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Callie Ross TITLE Production Clerk

SIGNATURE Callie Ross DATE 01/12/2007

(This space for State use only)

RECEIVED
JAN 16 2007
DIV. OF OIL, GAS & MINING

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: ___/___/___
Test conducted by: Trefley J. Raza
Others present: _____

Well Name: Pinehurst Federal 3-8-9-17 Type: ER SWD Status: AC TA UC
Field: Monument Butte
Location: SE/NE Sec: 3 T 9 N (S) R 17 (E) W County: Duchesne State: UT
Operator: Newfield
Last MIT: ___/___/___ Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? [ ] Yes [X] No
Initial test for permit? [X] Yes [ ] No
Test after well rework? [ ] Yes [X] No
Well injecting during test? [ ] Yes [X] No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	*PRESSURE*		
Initial Pressure	100 psig	psig	psig
End of test pressure	100 psig	psig	psig
CASING / TUBING	*ANNULUS*	*PRESSURE*	
0 minutes	1260 psig	psig	psig
5 minutes	1260 psig	psig	psig
10 minutes	1260 psig	psig	psig
15 minutes	1260 psig	psig	psig
20 minutes	1260 psig	psig	psig
25 minutes	1260 psig	psig	psig
30 minutes	1260 psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	[ ] Pass [ ] Fail	[ ] Pass [ ] Fail	[ ] Pass [ ] Fail

Does the annulus pressure build back up after the test ? [ ] Yes [X] No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

_____

Signature of Witness: _____

MIDNIGHT
NOON
6 AM
6 PM
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
CHART NO. MC M-2500-H
METER
CHART PUT ON
TAKEN OFF
LOCATION
REMARKS
Neuhold
DIFF. IN WATER
PRESSURE LBS.
PRINTED IN U.S.A.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

FEB - 6 2007

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Mike Guinn
Vice President - Operations
Newfield Production Company
Route 3 - Box 3630
Myton, UT 84502

43.013.31761
9S 17E 3

RE: **180-Day Limited Authorization to Inject**
Pinehurst Federal 3-8 Federal No. 3-8-9-17
EPA Permit No. UT20776-06975
Duchesne County, Utah

Dear Mr. Guinn:

The Newfield Production Company (Newfield) January 12, 2007 submission of **Prior to Commencing Injection** documents did contain all information required to fulfill the Environmental Protection Agency's (EPA) requirements, as cited in the Final Permit UT20776-06975 The submitted data included an EPA Well Rework Form (Form No. 7520-12), a Part I (Internal) Mechanical Integrity Test, and an injection zone pore pressure. All requirements were reviewed and approved by the EPA on January 24, 2007.

The EPA is hereby authorizing injection into the Federal No. 3-8-9-17 for a limited period of up to one hundred and eighty (180) calendar days, herein referred to as the "Limited Authorized Period". **The 180-Day "Limited Authorized Period" will commence upon the first date of enhanced recovery injection.** The permittee is responsible for notifying Emmett Schmitz, of my office, by letter within fifteen (15) working days of the date that enhanced recovery injection began. The initial maximum allowable injection pressure (MAIP) shall be **1425 psig**.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Because the cement bond log submitted for this well did not show an adequate interval of 80% or greater bond index cement through the confining zone overlying the Garden Gulch Member, **the operator is required to demonstrate Part II (External) Mechanical Integrity (Part II MI) within the 180-day "Limited Authorized Period"**. Approved tests for demonstrating Part II (External) MI include a Temperature Survey, a Noise Log or Oxygen Activation Log, and Region 8 may also accept results of a Radioactive Tracer Survey under certain circumstances. The "Limited Authorized Period" allows injection for the purpose of stabilizing the injection formation pressure prior to demonstrating Part II (External) MI, which is necessary because the proposed injection zone is under-pressured due to previous oil production from the zone, and the tests rely on stable formation pressure. Results of tests shall be submitted to and written approval with authority to re-commence injection received from EPA prior to resuming injection following the "Limited Authorized Period". Copies of current Region 8 Guidelines for conducting Part II (External) Mechanical Integrity Tests will be submitted upon request.

Should you choose to apply for an increase to the MAIP, at any future date, **a demonstration of Part II (External) MI** must be conducted **in addition to the Step-Rate Test.** You must receive prior authorization from the Director in order to inject at pressures greater than the permitted MAIP during the test(s).

If you have any questions in regard to the above action, please contact Emmett Schmitz at 1-800-227-8917 (Ext. 6174), or 303-312-6174. Results from the Part II (External) MI Test, should be mailed directly to the **ATTENTION: EMMETT SCHMITZ**, at the letterhead address citing **MAIL CODE: 8P-W-GW** very prominently.

Sincerely,

for Stephen S. Tuber
Assistant Regional Administrator
Office Of Partnerships and Regulatory Assistance

cc: David Gerbig
Operations Engineer
Newfield Production Company
Denver, CO 80202

Maxine Natchees
Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe

Lynn Becker
Director
Energy & Minerals Department
Ute Indian Tribe

Shaun Chapoose
Director
Land Use Dept.
Ute Indian Tribe

Chester Mills
Superintendent
U.S. Bureau of Indian Affairs
Uintah & Ouray Indian Agency

Gilbert Hunt
Assistant Director
State of Utah - Natural Resources
Division of Oil, Gas, and Mining

Fluid Minerals Engineering Office
U.S. Bureau of Land Management
Vernal, Utah

Mr. Nathan Wiser
8ENF-UFO

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-61252
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: GREATER BOUNDARY II
8. WELL NAME and NUMBER: PINEHURST FEDERAL 3-8
9. API NUMBER: 4301331761
10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1980 FNL 660 FEL COUNTY: DUCHESNE
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 3, T9S, R17E STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[X] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
06/04/2007	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARITLY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[ ] OPERATOR CHANGE	[ ] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLAIR
[ ] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of Work Completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/STOP)	[ ] WATER SHUT-OFF
	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[X] OTHER: - Change status, put well on injection
	[X] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

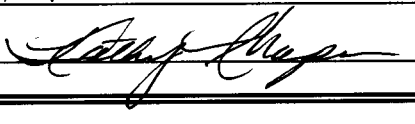
The above reference well was put on injection at 4:45 PM on 6-1-07.

UIC# UT20776-06975

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED
JUN 06 2007
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Kathy Chapman TITLE Office Manager

SIGNATURE  DATE 06/04/2007

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-61252
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: GREATER BOUNDARY II
8. WELL NAME and NUMBER: PINEHURST FEDERAL 3-8
9. API NUMBER: 4301331761
10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY

3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052 PHONE NUMBER 435.646.3721

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1980 FNL 660 FEL COUNTY: DUCHESNE
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SENE, 3, T9S, R17E STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
[ ] NOTICE OF INTENT (Submit in Duplicate)	[ ] ACIDIZE	[ ] DEEPEN	[ ] REPERFORATE CURRENT FORMATION
Approximate date work will	[ ] ALTER CASING	[ ] FRACTURE TREAT	[ ] SIDETRACK TO REPAIR WELL
	[ ] CASING REPAIR	[ ] NEW CONSTRUCTION	[ ] TEMPORARITLY ABANDON
	[ ] CHANGE TO PREVIOUS PLANS	[ ] OPERATOR CHANGE	[X] TUBING REPAIR
	[ ] CHANGE TUBING	[ ] PLUG AND ABANDON	[ ] VENT OR FLAIR
[X] SUBSEQUENT REPORT (Submit Original Form Only)	[ ] CHANGE WELL NAME	[ ] PLUG BACK	[ ] WATER DISPOSAL
Date of Work Completion:	[ ] CHANGE WELL STATUS	[ ] PRODUCTION (START/STOP)	[ ] WATER SHUT-OFF
07/26/2007	[ ] COMMINGLE PRODUCING FORMATIONS	[ ] RECLAMATION OF WELL SITE	[ ] OTHER: -
	[ ] CONVERT WELL TYPE	[ ] RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
The above subject well had workover procedures (tubing repair) performed on 07/12/07, attached is a daily status report.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Jentri Park TITLE Production Clerk

SIGNATURE [signature] DATE 07/26/2007

(This space for State use only)

RECEIVED
JUL 27 2007
DIV. OF OIL, GAS & MINING

Daily Activity Report

Format For Sundry

PINEHURST 3-8-9-17

5/1/2007 To 9/30/2007

7/12/2007 Day: 1 **Workover**

Western #3 on 7/11/2007 - MIRU Western rig #3. 200 psi on well. Bleed off gas. ND injection. ND Larkin WH. Release AS1 pkr. NU Larkin flange & Schaffer BOP. Flush tbg w/ 50 BW. Drop 2 7/8" SV & fill tbg w/ 20 BW. Pressured up to 1500 psi & blew hole in tbg. TOH w/ tbg looking for hole. 42 jts out found fluid. LD jts # 41 & 42 (No visable hole in tbg). Pressure test tbg to 3000 psi, good. Fish SV. Continue TOH w/ tbg. LD pkr. PU & RIH w/ Redressed 5 1/2" AS1 pkr, SN w/ SV in place & 156- jts of 2 7/8 tbg, Pressure testing on the way in hole. Tested tbg to 3000 psi. SIWFN w/ EOT @ 5015.76'.

7/13/2007 Day: 2 **Workover**

Western #3 on 7/12/2007 - pen up well. Add 2 7/8 X 10'. RU hot oiler & pressure test tbg to 3000 psi, Good. RU sandline. Fish SV. Pumped 79 bbls of fresh wtr w/ pkr fluid down annulus. ND BOP & Larkin flange. Set TA w/ 18,000#'s w/ CE @ 5022.76'. NU Larkin WH. Fill annulus w/ 9 bbls of wtr w/ pkr fluid. Pressure up to 1300 psi on annulus. Larkin head was leaking. Bleed off pressure. Replace rubber in Larkin head. Pressure up to 1250 psi, Held for 45 mins w/ no pressure lose. RDMO. Ready for MIT!!!

7/25/2007 Day: 3 **Workover**

Rigless on 7/24/2007 - On 6/28/07 Dan Jackson and Nathan Wiser with the EPA was contacted concerning the MIT on the above listed well (Pinehurst Fed 3-8-9-17). Permission was given at that time to perform the test on 7/22/07. On 7/22/07 the csg was pressured up to 1180 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbg pressure was 200 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20776-06974 API# 43-013-31761

Pertinent Files: Go to File List

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 7 / 22 / 07

Test conducted by: Trefley J. Raza

Others present: _____

Well Name: Pinehurst Federal 3-8-9-17 Type: ER SWD Status: AC TA UC

Field: Monument Butte

Location: SE/NE Sec: 3 T 9 N (S) R 17 (E) W County: Duchesne State: UT

Operator: newfield

Last MIT: / / Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? [ ] Yes [X] No

Initial test for permit? [ ] Yes [X] No

Test after well rework? [X] Yes [ ] No

Well injecting during test? [ ] Yes [X] No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 0 psig

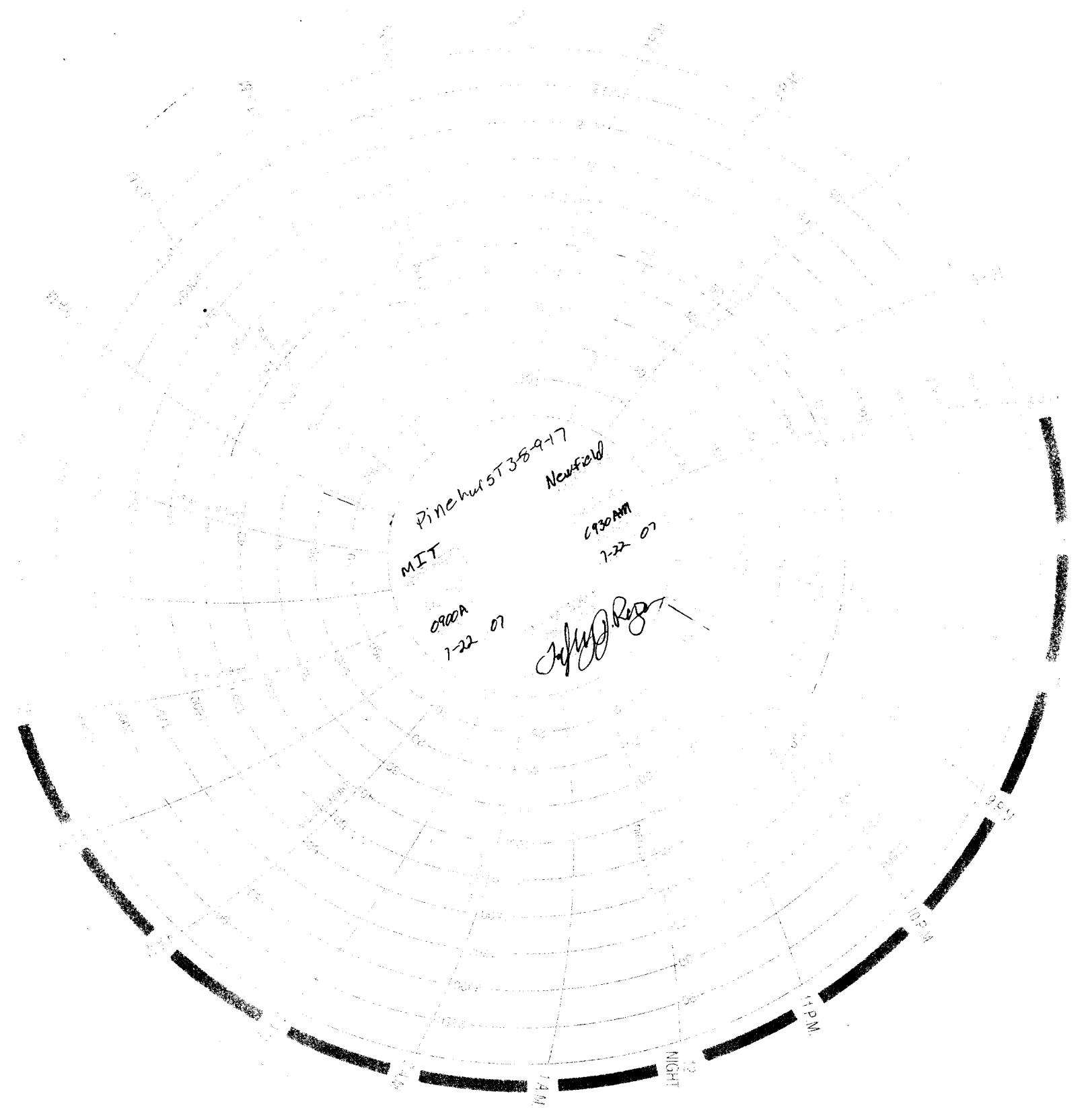
MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	*PRESSURE*		
Initial Pressure	200 psig	psig	psig
End of test pressure	200 psig	psig	psig
CASING / TUBING	*ANNULUS*	*PRESSURE*	
0 minutes	1180 psig	psig	psig
5 minutes	1180 psig	psig	psig
10 minutes	1180 psig	psig	psig
15 minutes	1180 psig	psig	psig
20 minutes	1180 psig	psig	psig
25 minutes	1180 psig	psig	psig
30 minutes	1180 psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	[X] Pass [ ] Fail	[ ] Pass [ ] Fail	[ ] Pass [ ] Fail

Does the annulus pressure build back up after the test ? [ ] Yes [X] No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____


Pinehurst 38-9-17
Newfield
MIT
0900A
7-22 07
0930AM
7-22 07
NIGHT
11 P.M.
9 P.M.
7 P.M.
5 P.M.
3 P.M.
1 P.M.
11 A.M.
9 A.M.
7 A.M.
5 A.M.
3 A.M.
1 A.M.

FORM 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31,2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
USA UTU-61252

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or
GREATER BOUNDARY II

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
PINEHURST FEDERAL 3-8

2. Name of Operator
NEWFIELD PRODUCTION COMPANY

9. API Well No.
4301331761

3a. Address Route 3 Box 3630
Myton, UT 84052

3b. Phone *(include are code)*
435.646.3721

10. Field and Pool, or Exploratory Area
MONUMENT BUTTE

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
1980 FNL 660 FEL

SENE Section 3 T9S R17E

11. County or Parish, State
DUCHESNE, UT

12. CHECK APPROPRIATE BOX(ES) TO INIDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production(Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Step Rate Test
	☐ Change Plans	☐ Plug & Abandon	☐ Temporarily Abandon	
	☐ Convert to	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

A step rate test was conducted on the subject well on October 22, 2007. Results from the test indicate that the fracture gradient is .736 psi/ft. Therefore, Newfield is requesting that the maximum allowable injection pressure (MAIP) be changed to 1505 psi.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

I hereby certify that the foregoing is true and correct *(Printed/ Typed)*
Chevenne Bateman

Title
Well Analyst Foreman

Signature

Date
10/24/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

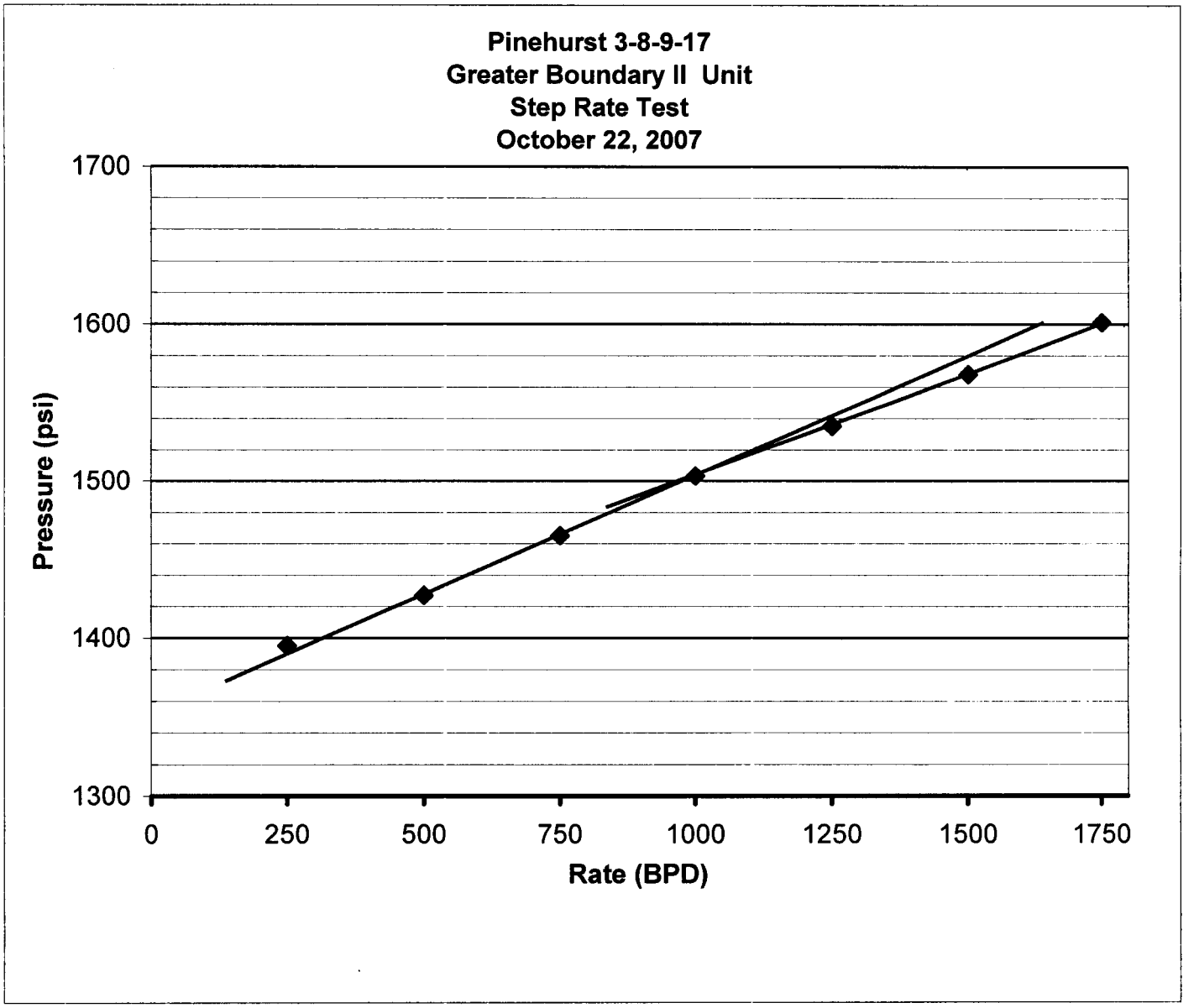
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

RECEIVED
OCT 29 2007
DIV. OF OIL, GAS & MINING



Start Pressure:	1366	psi
Instantaneous Shut In Pressure (ISIP):	1505	psi
Top Perforation:	5083	feet
Fracture pressure (Pfp):	1505	psi
FG:	0.736	psi/ft

Step	Rate(bpd)	Pressure(psi)
1	250	1395
2	500	1427
3	750	1465
4	1000	1503
5	1250	1535
6	1500	1568
7	1750	1601

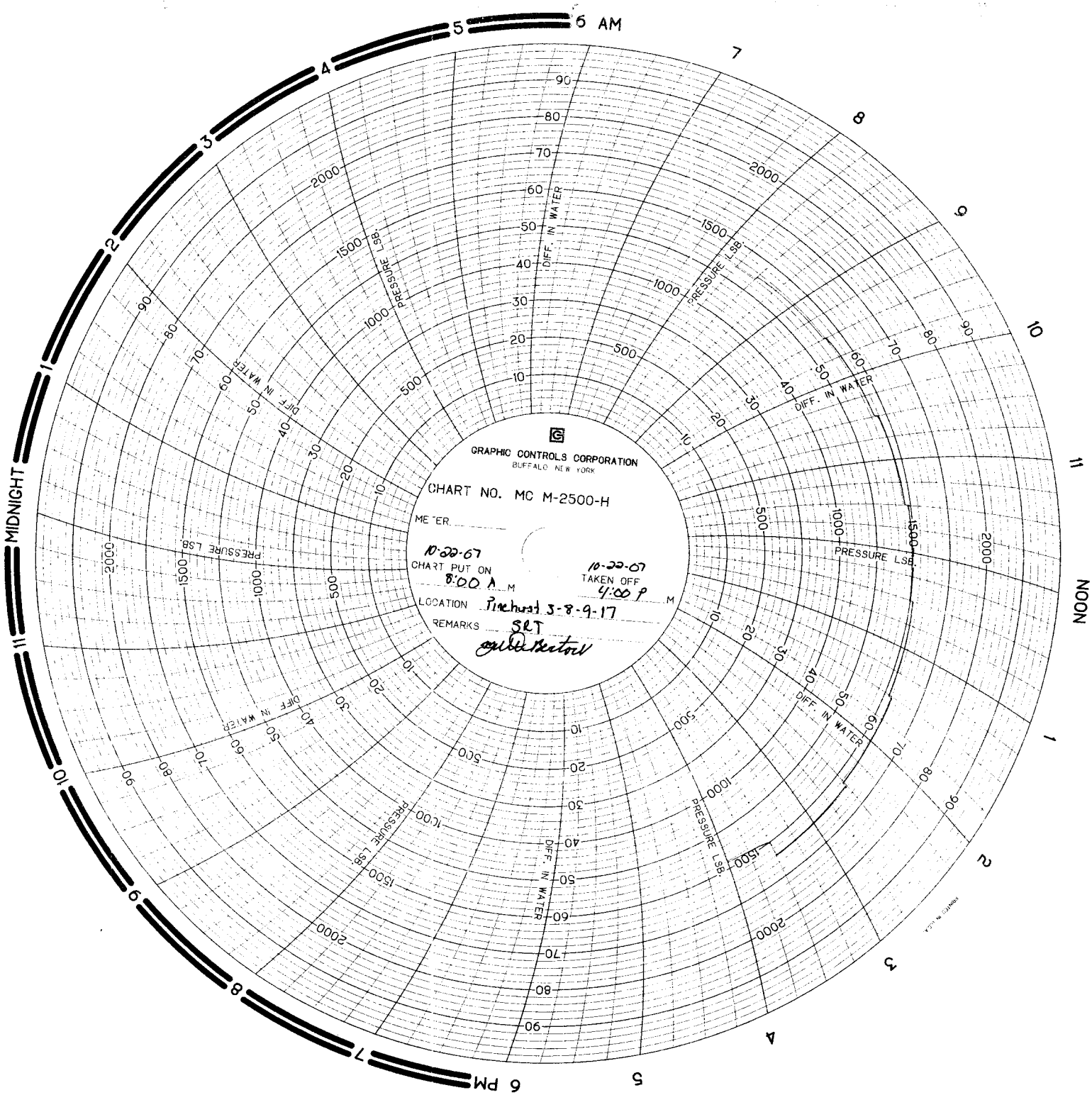
Report Name:	PrTemp1000 Data Table
Report Date:	Oct 22, 2007 05:37:33 PM MDT
File Name:	C:\Program Files\PTC® Instruments 2.00\Pinehurst 3-8-9-17(10-22-07)SRT.csv
Title:	Pinehurst 3-8-9-17 SRT
Device:	PrTemp1000 - Temperature and Pressure Recorder
Hardware Revision:	REV2C (64K)
Serial Number:	M75866
Device ID:	PrTemp
Data Start Date:	Oct 22, 2007 08:00:01 AM MDT
Data End Date:	Oct 22, 2007 11:30:02 AM MDT
Reading Rate:	1 Minute
Readings:	1 to 15 of 15
Last Calibration Date:	Oct 16, 2007
Next Calibration Date:	Oct 16, 2008

Reading	Date and Time (MDT)	Absolute Pressure	Annotation
1	Oct 22, 2007 08:00:01 AM	1371.000 PSIA	
2	Oct 22, 2007 08:15:01 AM	1368.000 PSIA	
3	Oct 22, 2007 08:30:02 AM	1365.600 PSIA	
4	Oct 22, 2007 08:45:01 AM	1387.800 PSIA	
5	Oct 22, 2007 09:00:01 AM	1390.800 PSIA	
6	Oct 22, 2007 09:15:02 AM	1393.000 PSIA	
7	Oct 22, 2007 09:30:01 AM	1395.000 PSIA	
8	Oct 22, 2007 09:45:01 AM	1419.400 PSIA	
9	Oct 22, 2007 10:00:02 AM	1421.200 PSIA	
10	Oct 22, 2007 10:15:01 AM	1424.800 PSIA	
11	Oct 22, 2007 10:30:01 AM	1426.600 PSIA	
12	Oct 22, 2007 10:45:02 AM	1454.400 PSIA	
13	Oct 22, 2007 11:00:01 AM	1459.400 PSIA	
14	Oct 22, 2007 11:15:01 AM	1463.200 PSIA	
15	Oct 22, 2007 11:30:02 AM	1465.600 PSIA	

105+ Communication with data logger

Report Name:	PrTemp1000 Data Table
Report Date:	Oct 22, 2007 05:38:09 PM MDT
File Name:	C:\Program Files\PTC® Instruments 2.00\Pinehurst 3-8-9-17(10-22-07)SRT2.csv
Title:	Pinehurst 3-8-9-17 SRT
Device:	PrTemp1000 - Temperature and Pressure Recorder
Hardware Revision:	REV2C (64K)
Serial Number:	M75866
Device ID:	PrTemp
Data Start Date:	Oct 22, 2007 11:46:38 AM MDT
Data End Date:	Oct 22, 2007 03:31:38 PM MDT
Reading Rate:	1 Minute
Readings:	1 to 16 of 16
Last Calibration Date:	Oct 16, 2007
Next Calibration Date:	Oct 16, 2008

Reading	Date and Time (MDT)	Absolute Pressure	Annotation
1	Oct 22, 2007 11:46:38 AM	1493.000 PSIA	
2	Oct 22, 2007 12:01:38 PM	1496.200 PSIA	
3	Oct 22, 2007 12:16:39 PM	1498.600 PSIA	
4	Oct 22, 2007 12:31:38 PM	1502.600 PSIA	
5	Oct 22, 2007 12:46:37 PM	1529.200 PSIA	
6	Oct 22, 2007 01:01:39 PM	1532.200 PSIA	
7	Oct 22, 2007 01:16:38 PM	1534.200 PSIA	
8	Oct 22, 2007 01:31:38 PM	1535.400 PSIA	
9	Oct 22, 2007 01:46:39 PM	1563.000 PSIA	
10	Oct 22, 2007 02:01:38 PM	1563.400 PSIA	
11	Oct 22, 2007 02:16:38 PM	1565.000 PSIA	
12	Oct 22, 2007 02:31:39 PM	1567.600 PSIA	
13	Oct 22, 2007 02:46:38 PM	1595.400 PSIA	
14	Oct 22, 2007 03:01:38 PM	1597.800 PSIA	
15	Oct 22, 2007 03:16:39 PM	1600.400 PSIA	
16	Oct 22, 2007 03:31:38 PM	1601.800 PSIA	


6 AM
NOON
6 PM
MIDNIGHT
GRAPHIC CONTROLS CORPORATION
BUFFALO NEW YORK
CHART NO. MC M-2500-H
METER
10-22-67
CHART PUT ON
8:00 A M
10-22-67
TAKEN OFF
4:00 P M
LOCATION Pinehurst 3-8-9-17
REMARKS SLT
DIFF. IN WATER
PRESSURE LSB

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-61252

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: GMBU (GRRV)

1. TYPE OF WELL Water Injection Well

8. WELL NAME and NUMBER: PINEHURST FEDERAL 3-8

2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY

9. API NUMBER: 43013317610000

3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052

PHONE NUMBER: 435 646-4825 Ext

9. FIELD and POOL or WILDCAT: MONUMENT BUTTE

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1980 FNL 0660 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 03 Township: 09.0S Range: 17.0E Meridian: S

COUNTY: DUCHESNE

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 6/22/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: 5 YR MIT

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On 06/16/2012 Jason Deardorff with the EPA was contacted concerning the 5 year MIT on the above listed well. On 06/22/2012 the casing was pressured up to 1120 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tubing pressure was 1470 psig during the test. There was not an EPA representative available to witness the test. EPA# UT20776-06975

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 27, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Lucy Chavez-Naupoto	435 646-4874	Water Services Technician
SIGNATURE N/A		**DATE** 6/25/2012

RECEIVED: Jun. 25, 2012

Mechanical Integrity Test
Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 6/22/12
Test conducted by: Chris Walters
Others present: _____

LET 20776-106975

Well Name: 3-8-9-17 Pinehurst Federal Type: ER SWD Status: AC TA UC
Field: Monument Butte
Location: SE/NE Sec: 3 T 9 N/S R 17 E/W County: Duchesne State: UT
Operator: Newfield
Last MIT: / / Maximum Allowable Pressure: _____ PSIG

Is this a regularly scheduled test? [X] Yes [ ] No
Initial test for permit? [ ] Yes [X] No
Test after well rework? [ ] Yes [X] No
Well injecting during test? [X] Yes [ ] No If Yes, rate: 9 bpd

Pre-test casing/(tubing)/annulus pressure: 1462 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING	*PRESSURE*		
Initial Pressure	1462 psig	psig	psig
End of test pressure	1470 psig	psig	psig
CASING / TUBING	*ANNULUS*	*PRESSURE*	
0 minutes	1120 psig	psig	psig
5 minutes	1120 psig	psig	psig
10 minutes	1120 psig	psig	psig
15 minutes	1120 psig	psig	psig
20 minutes	1120 psig	psig	psig
25 minutes	1120 psig	psig	psig
30 minutes	1120 psig	psig	psig
_____ minutes	psig	psig	psig
_____ minutes	psig	psig	psig
RESULT	[X] Pass [ ] Fail	[ ] Pass [ ] Fail	[ ] Pass [ ] Fail

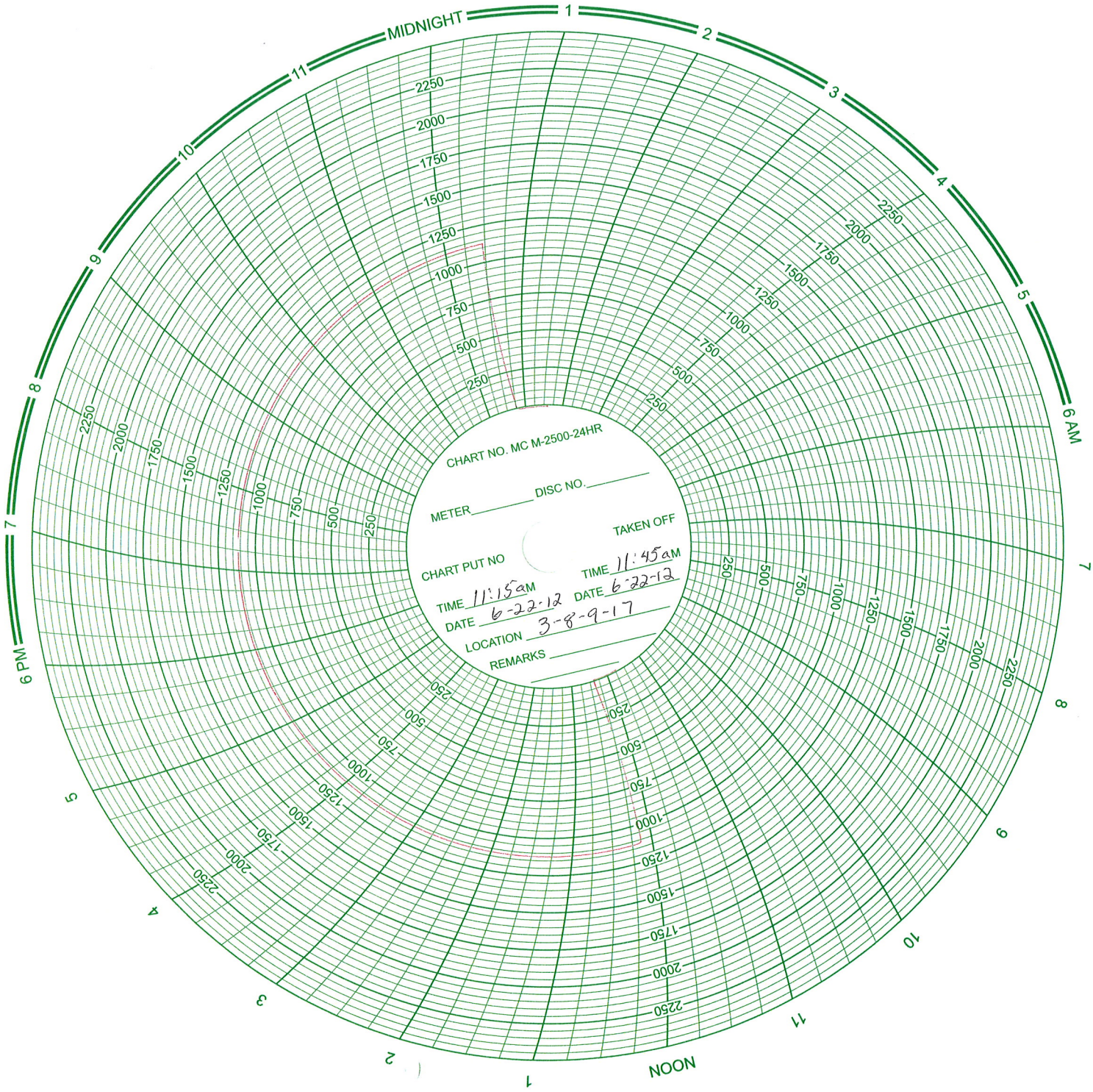
Does the annulus pressure build back up after the test ? [ ] Yes [ ] No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

Sundry Number: 27045 API Well Number: 43013317610000



Pinehurst Federal 3-8-9-17

Spud Date: 4/14/97
Put on Production: 5/23/97
GL: 5030' KB: 5040'

Injection Wellbore Diagram

Initial Production: 90 BOPD,
40 MCFPD, 10 BWPD

SURFACE CASING

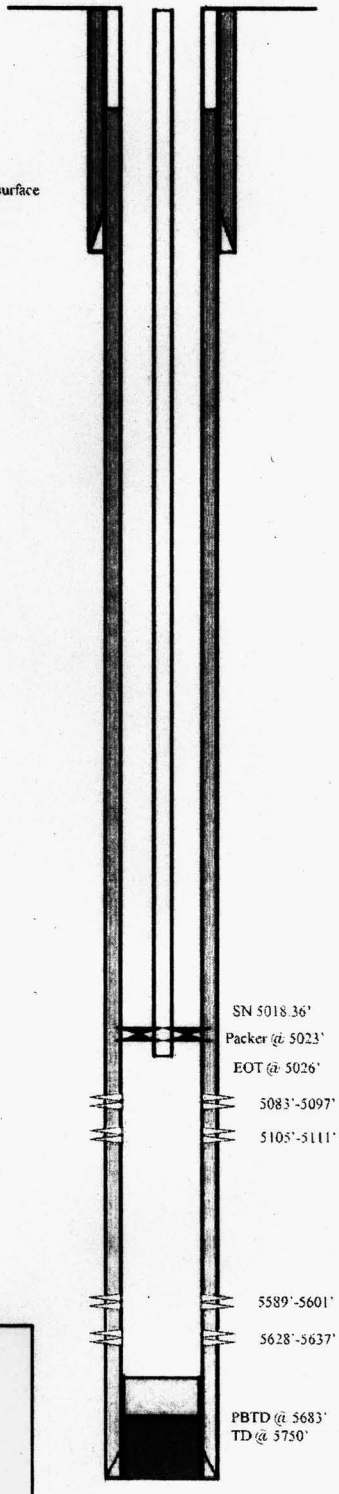
CSG SIZE: 8-5/8"
GRADE: J-55
WEIGHT: 24#
LENGTH: 7 jts. (283')
DEPTH LANDED: 293'
HOLE SIZE: 12-1/4"
CEMENT DATA: 200 sks Class "G" cement, est. ? bbls cement to surface

PRODUCTION CASING

CSG SIZE: 5-1/2"
GRADE:
WEIGHT: 17#
LENGTH: 133 jts
DEPTH LANDED: 5745'
HOLE SIZE: 7 7/8"
CEMENT DATA: 190 sks 65:35 Poz, 360 sks 50-50 Poz mix
CEMENT TOP AT: 70'

TUBING

SIZE/GRADE/WT.: 1- 2 7/8"
NO. OF JOINTS: 156 jts (4998.36)
SEATING NIPPLE: @ 5018.36'
As 1-X Packer CE @: 5022.76'
TOTAL STRING LENGTH: EOT @ 5025.76'



FRAC JOB

5/04/97	5589'-5601'	**Frac** zone with 88,476# 20/40 sand in 482 bbls fluid. Treated @ avg press of 1640 psi w/avg rate of ? BPM. ISIP 1618 psi.
5/14/97	5083'-5111'	**Frac** zone with 100,700# 20/40 sand in 543 bbls fluid. Treated @ avg press of 2180 psi w/avg rate of ? BPM. ISIP 2273 psi.
5/26/00		**Pump change.**
12/20/06		**Well converted to an Injection well.**
12/15/06	5628 – 5637'	**Frac CP1 sds** as follows: w/ 13,949#'s of 20/40 sand in 155 bbls of Lightning 17 fluid. Broke @ 5009 psi. Treated w/ ave pressure of 2936 psi @ ave rate of 11.7 BPM. ISIP 1132 psi.
07/22/07		**Workover/MIT** (tubing repair) update rod and tubing detail

PERFORATION RECORD

5/02/97	5589'-5601'	4 SPF	48 holes
5/12/97	5105'-5111'	4 SPF	24 holes
5/12/97	5083'-5097'	4 SPF	56 holes
12/15/06	5628'-5637'	4 SPF	36 holes

NEWFIELD

Pinehurst Federal 3-8-9-17

1980' FNL & 660' FEL

SE/NE Section 3-T9S-R17E

Duchesne Co, Utah

API #43-013-31761 Lease # UTU-61252

DS 8/23/07